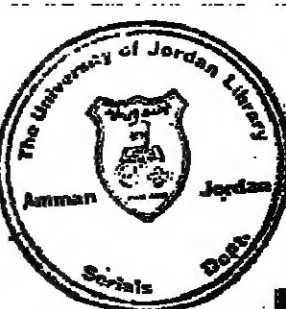


TEL AV
convenit
commit
the new
ment
an out
yester
related
prime
with
drawn
This
Coura
to it
part
If mar
a di
time
as doe
pol
1 rea
is Sh
dow
oil
and
cent.
Ti
der
sha
ma,
the

AMCOR
AIR CONDITIONERS
NOW IN 5 EQUAL PAYMENTS.
IMMEDIATE SUPPLY.
AMCOR

Tuesday, September 6, 1983

THE JERUSALEM POST



Vol. LI, No. 15416 IS37

For best results
bool
Washing Powder
BYZ INDUSTRIES

Burg proposes coalition 'freeze'

By BENNY MORRIS
Jerusalem Post Reporter

National Religious Party leader Yosef Burg yesterday proposed "freezing" the current coalition agreement, with no change or discussion of existing policies for 100 days. This period of grace would give the new government time to be properly "settled in," he said.

Interior Minister Burg made the proposal during yesterday's coalition-forming talks between NRP leaders and Likud ministers.

Burg yesterday reiterated that the prospective coalition led by Foreign Minister Yitzhak Shamir following Prime Minister Menachem Begin's resignation must be "formed quickly or it might not come into being at all."

The minister said the 100-day freeze or standstill would give the new government the solidity to go on to tackle the personnel and policy problems posed yesterday by the various factions in the talks with the Likud leaders.

Burg said the NRP did not feel "lonely, but honourable" in not posing new demands as a condition for remaining in a Likud-led government to succeed Begin's. "It is wrong what they do," said Burg, referring to the other parties' fresh demands. But these problems are "all surmountable," he said.

The Tami party yesterday demanded that the Likud commit itself to repealing the government's recent economic measures as the condition of its entry into the new government.

After the meeting with the Likud leaders, Tami leader MK Aharon (Continued on Page 2, Col. 5)



Shi'ite militiamen dig trenches in a southern suburb of Beirut yesterday, in expectation of further clashes with the Lebanese Army. (UPI telephoto)

Arbitrator rules on MDs' wages and hours

Israel Medical Association chairman Dr. Ram Ishai last night said he would recommend that the IMA central committee approve the ruling of the arbitrator in the doctors' dispute with the employer, despite his "disappointment" over certain aspects of the ruling. The Treasury spokeswoman said the ministry was "very satisfied" with the decision.

The ruling, announced yesterday evening by arbitrator David Shoham, calls for an average 60 per cent wage rise spread over the period starting in September 1982 and ending in June 1984. Following the ruling on the second topic under arbitration, roughly half of the nation's hospital doctors will have their work week reduced to 42 hours in March 1984.

Representatives of hospital committees throughout the country were meeting late last night at IMA headquarters in Tel Aviv to discuss the implications of the ruling. In a radio interview last night, Ishai expressed "partial satisfaction" with the ruling. He pointed out that while the spread of payments was acceptable, the ruling left a six-month period between the expiration of the doctors' previous wage contract and the start of the wage increases, for which there would be no retroactive payments.

"We could have achieved basically the same thing without the agony of the protracted strike," Ishai declared.

The Treasury will implement the ruling "to the letter," spokeswoman Dvora Ganani said last night, dismissing rumours that ministry would block implementation of the wage hikes.

The doctors' total wage increase will not exceed an average of 22 per cent over the two-year period covered by the current collective wage agreement, putting the doctors' pay hike in line with those received by workers in other sectors. (Continued on Page 2, Col. 2)

Crucial struggle for Bhamdoun

Arens sees possibility of unilateral pullback

Post Defence Correspondent
Israel intends to withdraw its forces in Lebanon in a phased manner from the current deployment line to the international boundary "as long as we can be assured that hostile elements will not enter the territory we evacuate and that the Lebanese Army will be able to control these areas."

In an exclusive interview with *The Jerusalem Post* to be published tomorrow, Defence Minister Moshe Arens also said that there could definitely be another Israeli withdrawal, including a total withdrawal from Lebanon, without the Syrians leaving that country.

The minister said that it would become clear in a few months whether the Lebanese Army is able

to control the area. "We will give very serious consideration to a withdrawal to the international boundary. The only thing it depends on is us being convinced that we can maintain the safety of our civilian population in the northern part of the country."

Arens added that "our central goal in Lebanon is to assure the safety of the citizens of the north."

He said that a stable government in Lebanon at peace with Israel would be a "bonus," as would Syrian withdrawal.

"But our major object, the only objective for which we would be ready to risk the lives and limbs of our soldiers, is the physical well-being and security of the citizens of the northern part of Israel."

Christians and Druse both claim successes

BEIRUT (AP). — The Lebanese Army punched through Druse defences yesterday at a key intersection near U.S. Marine posts at Beirut Airport while fierce battles raged between Christians and Druse for the hills overlooking the capital.

Shells slammed into parts of both Moslem West and Christian East Beirut as well as along the coastal highway to Jounieh, 20 kilometres to the north.

In the mountains, fighting centred on the Christian-held town of Bhamdoun, five kilometres from Syrian lines on the Beirut-Damascus highway, and on a cluster of towns held by both sides arching down to the coast from the central mountains.

Both sides claimed they were advancing against the other's stronghold, and the Christian-run Voice of Lebanon radio reported Christian defenders had repelled an assault on Bhamdoun by a Syrian

tank battalion with one Soviet-built T-54 tank destroyed.

Police said 31 people, including three Lebanese Army soldiers, had been killed and 83 persons wounded in yesterday's fighting. That brought the official toll from the two days of civil war following the Israeli pullout from the mountains to 82 dead and 216 wounded.

However, with many towns in the mountains cut off and under heavy shellfire, the real casualty toll was probably much higher.

Witnesses said a force of Lebanese Panhard armoured cars managed to overrun a key intersection held by Druse militiamen near Khalde along the coastal road to Sidon after two days of heavy fighting. Associated Press photographer Don Mell said the army controlled the Khalde intersection and the coastal highway although it was coming under heavy shellfire from the Druse.

Four U.S. Marines were slightly wounded by shrapnel from shells

(Continued on Page 2, Col. 7)

Shouf situation dealing blow to U.S. foreign policy

By WOLF BLITZER
Jerusalem Post Correspondent
WASHINGTON. — Reagan administration officials yesterday expressed mounting concern that the worsening situation in Lebanon may result in what they called a U.S. foreign policy "disaster."

There was clearly increased concern at the highest governmental levels that the spreading violence following Israel's withdrawal from the Shouf Mountains poses the most serious challenge to President Amin Jemayel's regime since he took office one year ago.

Late last week, President Ronald

Reagan ordered another 2,000 U.S. Marines to be transported to U.S. Sixth Fleet ships stationed just off the Lebanese shore. They are to back up the 1,200 Marines already in Lebanon as part of the multinational peace-keeping force.

The Washington Post yesterday quoted Reagan as having told members of Congress during briefings the day before that he has laid down "a marker for the Syrians" by moving the Marine task force to the coast of Lebanon.

According to the report, Reagan said he had no plans to include the (Continued on Page 2, Col. 1)

No 'red lines' set by Israel over Shouf Mountain fighting

By BENNY MORRIS
Jerusalem Post Reporter

The government would "not be happy to see a Druse victory" in the strategic mountaintop town of Bhamdoun, on the Beirut-Damascus highway, informed Jerusalem sources said yesterday.

The town, held by the Phalange, is under attack by Druse militiamen apparently backed by PLO irregulars and Syria. The extent of Syrian involvement is unclear.

The sources said that Israel's "ideal" would be to see "a stop to the fighting" in the Shouf. They declined to comment on whether Israel prefers a Druse or Phalange victory.

The government has not set "red lines" — "it has not used the term at all" — with regard to possible Syrian movement in Lebanon, senior sources in the Prime Minister's Office said yesterday.

They were reacting to a report that Israel would regard a Druse capture of the mountaintop town of Bhamdoun, along the Beirut-Damascus highway, as the crossing

of a "red line" and a proxy victory for Syria "of grave concern" to Israel.

It is learned that Israel has repeatedly transmitted warnings to Syria, presumably through the Americans, that Israel will not tolerate Syrian or PLO movement into territories in Lebanon evacuated by Israel. Such a message was transmitted to Damascus by Israel a few hours before the start of the Shouf Mountain withdrawal, it is understood.

The senior sources said that Israel "would do nothing" if the Druse forces now besieging Bhamdoun capture the town from its Phalange defenders. "We do not intend to interfere in an internal (Lebanese) quarrel. But we will not agree that Syria or the PLO move into the town," said the sources.

They added that they did not expect Syria to intervene in the Lebanese fighting, "as Israel is not intervening."

It is understood that American and Israeli officials have resumed negotiating efforts in Lebanon.

No coalition majority at Knesset finance session

By AARON SITTNER
Jerusalem Post Reporter

"It's a disgrace, an absolute disgrace!" MK Shlomo Lorincz (Agudat Yisrael) exclaimed yesterday morning as he adjourned a meeting of the Knesset Finance Committee 30 minutes after it had begun.

The chairman was nettled because there was no majority for the coalition at the meeting, which was called to approve vital measures the government wants as part of the austerity programme.

Among proposed measures for which approval is sought are hikes in electricity and water rates, higher premiums for compulsory motor vehicle insurance and an increase in postal and telephone rates.

It was the third attempt by committee chairman Lorincz to muster a vote on these issues. Two earlier

attempts failed when National Religious Party MK Avraham Melamed demanded a comprehensive discussion of the Treasury's economic programme before a vote by the committee on the components of the plan.

Yesterday's attempt failed when it turned out that there were only 10 coalition party members present lined up against 10 opposition party members. The absent coalition member was Tami's Aharon Abuhateira, whose party has already assailed the Treasury's budget cutbacks and the manner in which they have been approved by the cabinet.

"As yesterday's committee meeting broke up, Lorincz was overheard saying: 'How can the coalition put together a new government when it cannot even muster a majority for a committee meeting?'"

attempts failed when National Religious Party MK Avraham Melamed demanded a comprehensive discussion of the Treasury's economic programme before a vote by the committee on the components of the plan.

Yesterday's attempt failed when it turned out that there were only 10 coalition party members present lined up against 10 opposition party members. The absent coalition member was Tami's Aharon Abuhateira, whose party has already assailed the Treasury's budget cutbacks and the manner in which they have been approved by the cabinet.

"As yesterday's committee meeting broke up, Lorincz was overheard saying: 'How can the coalition put together a new government when it cannot even muster a majority for a committee meeting?'"

Reagan seeks world action to restrict Soviet aviation

LONDON. — President Ronald Reagan last night was preparing to mobilize world action against Moscow over the Korean airliner in advance of an East-West showdown later this week in Madrid at a European security conference ministerial meeting.

Reagan was due to announce U.S. retaliatory measures on U.S. television at 2 a.m. Israel time, following U.S. charges that Moscow had deliberately shot down the

Korean Airlines Boeing 747 with 269 people aboard last Thursday near Sakhalin Island, site of some of the Soviet Union's most sensitive military installations in the Far East.

U.S. officials said Reagan's plans were expected to include international curbs on commercial flights to and from the Soviet Union, rather than major economic sanctions.

Officials in European capitals refused to disclose details of possible (Continued on Page 2, Col. 4)

OTTAWA (AP). — Montreal-Moscow flights by the Soviet airline Aeroflot will be suspended for 60 days, effective immediately, to protest Soviet silence about the destruction of the Korean passenger jet with 269 people aboard, Canadian External Affairs Minister Allan Rock announced yesterday.

Ten of the passengers were Canadians. Aeroflot flies twice weekly to Montreal and return.

Electrocution of young couple caused by 'gross negligence'

By DAVID RUDGE
Jerusalem Post Reporter

HAIFA. — A young Tel Aviv couple who were electrocuted last Friday by their instant hot-water shower were the victims of gross negligence by whoever installed the wiring, Victor Zyss, the Energy Ministry's electricity commissioner, told *The Jerusalem Post* yesterday.

"I don't know if the wiring was fitted by the couple themselves, a friend or an electrician — that is something the police are investigating. It is clear however that whoever did it broke the law and is guilty of gross negligence," he said.

The accident occurred at the couple's home in the Shapira quarter last Friday afternoon as 21-year-old Dorit Malul, who was in her ninth month of pregnancy, was taking a

shower. A wire came loose inside the boiler and the whole unit, including the metal handset she was holding, became charged. Her husband Rami, 25, tried to free her and was himself electrocuted. An ambulance team later attempted to release the couple and also suffered shocks until the power supply was disconnected.

Zyss, who investigated the cause of the accident, on behalf of the Energy Ministry, outlined his findings to a conference of 350 electricians held here yesterday. The meeting was one of several organized by the Electric Corporation.

He said the couple had recently added a two-room extension to Malul's father's ground-floor flat. The electricity supply for the ad-

ditional two rooms was taken directly from the father's flat with an overhead wire and with a special circuit for the instant hot-water shower.

This was in violation of regulations which stipulate that power installations must be connected to the main supply via a meter and must be checked by a representative of the Electric Corporation. The law also states that all wiring installations must be done by a certified electrician, Zyss said.

"It is likely that in this case the work was not done by a certified electrician. The electrical arrangements were bad, the wiring to the shower was not properly grounded, and a circuit breaker that had been fitted to the electrical system did not work."

Zyss warned the public not to make electrical installations by themselves. "If you are ill you go to a doctor, you don't treat yourself. If people observed the law things like this wouldn't happen," he said.

Uri Leitner, head of the Electric

Corporation's sales-promotions department, who chaired yesterday's meeting, pointed out that the Standards Institute has not yet approved any locally produced instant hot-water systems.

"These systems are not under the control of the Standards Institute and have therefore not been approved," Leitner said.

A 10-month old baby, Yosef Shirree, was electrocuted yesterday in his home in Katzin.

The baby was walking barefoot on the wet floor in the house and touched an exposed electrical wire lying on the floor, sources said.

EIGHT PAGES
FROM SUNDAY'S
The New York Times
THE WEEK IN REVIEW
INSIDE TODAY

NOW ON SALE
NEWSWEEK
Sept. 12th issue
★ MURDER IN THE AIR
★ UNDER THE GUN IN LEBANON
sole distributor
Steimatzky

With deep sorrow, we announce the death of
EZEKIEL STEIMATZKY
The Family
The funeral cortege will leave today, Tuesday, September 6, 1983 at 1 p.m. from the Municipal Funeral Home in Tel Aviv for the Mount of Olives, Jerusalem.

BRONFMAN
International Press & Books
TIME
Sept. 12, 1983
★ ATROCITY IN THE SKY
The Jumbo 474 story
★ AFTER BEGIN...

While you're taking it easy, an easy way to make money
Tourists, here's a way of enjoying extra benefits from your vacation in Israel.
A minimum deposit of only **US\$ 1000** (or its equivalent in other major foreign currencies) for as little as one week, and your money goes to work for you:
• Earning high interest.
• Exempt from all service charges and Israeli taxes.
• Enjoying total confidentiality.
All this, plus a personal Jewish National Fund Certificate in your name, for a tree contributed by Bank Hapoalim.
While you're opening your account, ask about our other Free Foreign Currency Accounts. Bank Hapoalim will show you how easy it is to put your money to work.
Foreign Currency Centers:
Tel Aviv: 104 Hayarkon St., 63903. Tel. 03-228118.
Jerusalem: 26 King George St., 94261. Tel. 02-222269.
Netanya: 11 Kikar Ha'etsmami, 42271. Tel. 053-39741.
New York • Los Angeles • Chicago • Philadelphia • Miami • Boston • Toronto • Montreal • London • Manchester • Paris • Zurich • Luxembourg • Buenos Aires • Sao Paulo • Caracas • Mexico City • Montevideo • Punta del Este • Santiago • Panama City • Cayman Islands
And over 340 branches of the group in Israel.
Bank Hapoalim
Head Office: 50 Rothschild Blvd., 65124 Tel Aviv, Israel. Tel: (03)628111.

הכנתם את הכל

The weather at major Swissair destinations

	5.9.83	MIN	MAX	
AMSTERDAM	12	14	18	Cloudy
BRUSSELS	10	10	18	Cloudy
COLOGNE	10	10	18	Cloudy
FRANKFURT	10	10	18	Cloudy
GENEVA	10	10	18	Cloudy
HELSINKI	10	10	18	Cloudy
HONG KONG	28	27	31	Cloudy
JAKARTA	28	27	31	Cloudy
LONDON	10	10	18	Cloudy
MUNICH	10	10	18	Cloudy
NEW YORK	22	22	31	Cloudy
PARIS	10	10	18	Cloudy
SAO PAULO	10	10	18	Cloudy
STOCKHOLM	10	10	18	Cloudy
TOKYO	28	27	31	Cloudy
VIENNA	10	10	18	Cloudy
ZURICH	10	10	18	Cloudy

For the latest weather conditions, contact Swissair.
Offices in Israel:
Tel Aviv: 41 Ben-Yehuda St. (03) 243350
Jerusalem: 30 Jaffa St. (02) 225233
Haifa: 2 Sea Road (04) 84655

swissair

THE WEATHER

	Yesterday's Humidity	Yesterday's Min-Max	Today's Min-Max
Jerusalem	49	17-32	21
Golan	51	17-32	21
Nahariya	51	17-32	21
Safed	51	17-32	21
Haifa Port	51	17-32	21
Tiberias	51	17-32	21
Nazareth	51	17-32	21
Atula	51	17-32	21
Shimon	51	17-32	21
Tel Aviv	51	17-32	21
B-G Airport	51	17-32	21
Jericho	51	17-32	21
Gaza	51	17-32	21
Beer-sheva	51	17-32	21
Eilat	51	17-32	21

SOCIAL & PERSONAL

West German Ambassador Niels Hansen last night opened an exhibition of works by the late German abstract painter Julius Bissler at the Haifa Museum.

ARRIVALS

Pessah Grupper, deputy minister of agriculture, after an official visit to Puerto Rico.

New Judge Appointed

President Chaim Herzog yesterday appointed Shmuel Finkelman, a Jerusalem attorney, as a judge of the Jerusalem District Court.

ELECTION.

Prof. Uriel Littauer of the Weizmann Institute's neurobiology department has been elected to the governing bodies of the International Union of Biochemistry (IUB) and the Federation of European Biochemical Societies (FEBS).

PRIZE. — This year's Leib Jaffe prize has been won by Prof. Jaffe Oppenheim for his book, *The Pioneer Movement in Poland*, a United Israel Appeal-Keren Hayesod spokesman has announced.

BLOW TO U.S.

(Continued from Page One)

additional Marines in combat roles in Lebanon. Other administration officials said the additional Marine presence was largely a deterrent to further Syrian involvement in the fighting. They added, however, that in case Marines do come under more intense fighting, the additional soldiers could be called into action.

The Marines are backed by large-scale U.S. naval forces, including the aircraft carrier USS Eisenhower.

In recent days Pentagon sources have suggested that U.S. fighter aircraft aboard that vessel could be called into action to help protect the Marines if they come under more shelling. These sources said, however, that the prospect of U.S. fighter aircraft getting involved in Lebanon is remote unless a much more serious threat to the Americans is posed. "They will be used only as a last resort," one U.S. official said.

"The engagement of U.S. military forces in a major clash with Syria would add a new dimension to American involvement in the Middle East and have serious regional as well as international repercussions," said *The Washington Post*, referring to the Soviet Union's political and military support for Syria.

Best Wishes to:

JUDITH YECHIELI

Hostess with the Mostest

who resigned after 18 years as the congenial greeter of the King David Hotel, Jerusalem.

She has graciously greeted thousands of guests, common folk and those of the celebrity world. To name a few:

Presidents of the United States: Gerald Ford and Jimmy Carter; President Francois Mitterrand of France; President Anwar Sadat of Egypt; Foreign Minister Hans-Dietrich Genscher of West Germany; Foreign Minister James Callaghan of Great Britain; Secretaries of State Henry Kissinger, Alexander Haig, George Shultz; Show business people (high and lowbrow) Elizabeth Taylor, Ingrid Bergman, Leonard Bernstein, Isaac Stern, Richard Tucker, Jack Lemmon, Frank Sinatra, Bob Woolf, sports attorney of Boston, Axel Springer. West Germany's distinguished publisher, and others. We wish Judith a Happy New Year on her well-deserved retirement. From: The Capt. Yehiel and Ruth Givsky Langer Hospitality Foundation, 1 Mapu St., Jerusalem.

HOME NEWS

Syria urges sanctions against Lebanon

DAMASCUS (AP). — Syria, which backs leftist Lebanese groups opposed to President Amin Gemayel's regime, formally called yesterday for pan-Arab diplomatic, economic and financial sanctions against Lebanon.

A Syrian note to the Arab League asked that all member states break off diplomatic relations with the Gemayel government and close borders with Lebanon for signing the withdrawal pact with Israel, Syria's official news agency SANA reported.

Syria is the only Arab country that has a common border with Lebanon. The Damascus government move apparently indicates that Syria plans to close the border and to block Lebanon's exports to and transit trade with the Arab world.

The Qatar news agency said Syria had already broken off political, economic and cultural relations and slammed the border shut. But there was no confirmation of this report from the Syrian government.

Syria has never maintained an embassy in Lebanon, always saying the two countries were so closely linked they did not need one.

The Syrian move was a retaliation for a formal Lebanese government demand made through the Arab League, that Syria withdraw its forces from Lebanon to help secure a total Israeli withdrawal.

"The Beirut government has signed an agreement with the Israeli enemy that turns Lebanon into an Israeli protectorate, threatening its unity and its nationalist Arab bonds."

This dangerous action is a violation to all Arab resolutions and treaties," said the Syrian note to the Arab League.

Syria's state-controlled media played up alleged Druse territorial gains in the mountain war yesterday and warned that Syria's leftist allies would wage a Vietnam-style war against the U.S. Marines in Beirut.

"The people of Lebanon have decided to apply the Vietnam example against America," said a front-page banner headline in the *al-Bath* newspaper of Syrian President Hafez Assad's ruling Socialist Ba'ath Party.

A commentary broadcast by Damascus Radio said the Israeli withdrawal means that "Lebanon is now partitioned" into Israeli and Syrian zones.

Two newsmen wounded in Shouf shelling

BEIRUT (AP). — Two journalists working for ABC-TV have been wounded, one seriously, and two others are missing during fighting in Lebanon's central mountains.

Ray Nunn, ABC bureau chief in Beirut, said Clarke Todd, 39, was wounded in the chest by shrapnel on Sunday during a barrage by Christian militiamen on the Druse town of Kfar Matta 18 kilometres southeast of Beirut.

Another member of his crew, ABC soundman Nick Ludlow, 22,

received a shrapnel wound in the ankle, Nunn said. They managed to make their way to the U.S. Marine Corps base at the airport.

Two other members of the seven-man crew were separated by shelling from the others and have not been heard from, Nunn said. He declined to identify them before their families are told.

Todd was taken to a Lebanese Army clinic where he was reported in "good, stable condition."

Lebanese get maps of IDF minefields

Jerusalem Post Reporter

Before the IDF left the Shouf, officers handed over to the Lebanese Army, Druse and Phalangists detailed maps of all IDF minefields.

At first it had been planned to detonate all the mines, but this was dropped because the explosions would have tipped off all sides that the withdrawal was imminent.

UN secretary-general worried by Lebanon

PORTIMAO, Portugal (Reuters). — UN Secretary-General Javier Perez de Cuellar has said he is very worried about the situation in Lebanon following the Israeli withdrawal from the Shouf Mountains and fears it could have unforeseeable consequences.

Perez de Cuellar, on holiday in the Algarve region of Portugal, was talking to reporters Sunday night after talks with Portuguese Prime Minister Mario Soares, who heads the Middle East Committee of the Socialist International. The UN leader dined at Soares's holiday villa near here.

"I am following the Lebanese situation with great preoccupation," Perez de Cuellar said.

Asked about criticism that UN peace-keeping forces are playing too passive a role, he said: "These criticisms should be made to the Security Council, whose members do not give these forces the necessary credibility."

REAGAN-SOVIET

(Continued from Page One)

ble steps being discussed with Washington.

In earlier incidents — over the 1979 Iranian taking of American hostages, the Soviet intervention in Afghanistan and martial law in Poland — the European allies were less enthusiastic than the U.S. about economic sanctions.

In Bonn, West German Chancellor Helmut Kohl said that he supports sanctions against the Soviet Union and retaliation for its downing of the South Korean jumbo jet.

Bonn government spokesman Peter Boenisch told a news conference the Western allies are in "close consultation" on the matter, and said "cooperative action" against the Soviets is possible.

He declined to say what steps might be taken, but Foreign Minister Hans-Dietrich Genscher ruled out West German economic sanctions against Moscow.

European governments were expected to support moves the U.S. saw as appropriate, but officials said joint action in the aviation field could involve complex arrangements between different departments and between different departments in each capital.

Officials showed no sign yesterday of heading hints by Moscow that Soviet fighters mistook the Korean airliner for a U.S. spy plane (see Page 4). (Reuters, AP)

Israel Druse ask U.S., France to keep troops out of Shouf

By MENAHEM HOROWITZ
Jerusalem Post Reporter

KIRYAT SHMONA. — Leaders of the Israeli Druse community yesterday sent telegrams to U.S. President Ronald Reagan and French President Francois Mitterrand asking that soldiers of their countries in the multi-national force not intervene in the Shouf Mountain fighting, and not lend a hand to the assault on the Druse there.

The meeting was at the home in Julis of Druse spiritual leader Sheikh Amin Tarif.

The participants expressed bitterness that Israel did not keep a promise they said it made to expel the Phalangists from the Shouf before the IDF withdrawal. The participants, however, thanked Defence Minister Moshe Arens for preventing additional Phalangists and the Lebanese army from entering the area.

In Beirut yesterday, the sole survivor of last week's reported massacre in a nearby Druse village, said the Kfar Matta massacre occurred at 9 a.m.

Before shooting their victims, he said the militiamen identified themselves as members of the Kulaeb (Phalangist) militia and said they were taking revenge for the killing of Christian villagers last week in Barium, in a Syrian-controlled area of Lebanon.

Christian militiamen said more than 30 people — all women, children and old men — were massacred.

Walid Jumblatt's Progressive Socialist Party (PSP) said the Barium victims were killed by shelling. It said the attack was led by Lebanese army officers under Captain Tahan.

3 ex-policemen on trial for assault

TEL AVIV (Itim). — Three ex-policemen accused of severely beating a man who asked them to move their car were put on trial at the magistrate's court here yesterday.

Arye Stadeny, Mordechai Herszkowitz, and Aharon Ketter, who have since left the police, are accused of assaulting Ata Zafi, in August 1981.

The prosecution claimed that the three beat him after he asked them to move their parked car, which was blocking the entrance of a Tel Aviv factory where he was employed. The men were in civilian clothes at the time.

The defence attorney told the judge that there was no truth to the accusations. The trial will be continued.

76-year-old woman run over, killed

REHOVOT (Itim). — Seventy-six year-old Adia Weiner was run over and killed here yesterday while crossing a street. She died in Kaplan hospital.

David Ben-Abu, 62, of Ofakim, was struck and critically injured yesterday as he was crossing the Gilat intersection west of Beersheba. Ben-Abu was taken to hospital after he was hit by a truck driven by a Gaza resident, police said.

In Ashkelon, a Gaza man was remanded for eight days on suspicion of causing a road accident on Sunday near Kibbutz Yad Mordechai. Police said that Salah Bahar, 26, caused the accident by recklessly passing other traffic in his truck.

ARBITRATOR

(Continued from Page One)

Individual wage rises will range between 40 per cent and 70 per cent, with the poorly paid younger doctors receiving the maximum. Treasury sources told *The Jerusalem Post* last night.

Noting that the September 1982 starting date actually relates to a 10 per cent rise received by the entire work force, the Treasury sources said that the first actual instalment of the doctors' pay increase would be calculated from June 1983 and would total 24 per cent. A further rise of 4 per cent on October 1983 salaries would bring this up to 28 per cent, another 4-per-cent rise in November pushes it up to 32 per cent and so on, until the average cumulative increase reaches 60 per cent in June 1984, the sources said.

Announcing some of his decisions to the press in Tel Aviv yesterday evening, Shoham, who is managing director of the Israel General Bank, said that all hospital doctors will work a 45-hour week until the end of March, 1984, and then "about half" will have their work-week reduced to 42 hours.

Shoham stressed that "this is the first time that the amount of hours a doctor has to work has ever been fixed. Until now doctors were specifically excluded from the law limiting the work-week of all other persons." Asked if the doctors would get paid overtime, he said that he was not asked to rule on this question.

Shoham noted that only two issues had to be decided: the hours of work of doctors employed full time in hospitals, and the method of payments. Since the arbitrators appointed by both sides, Hillel Dudai (head of the Treasury's wage division) for the employers and Dr. Haim Zakut (deputy chairman of the IMA) for the doctors, could not agree among themselves, he (Shoham) had taken the decisions given above.

Shoham also ruled that each side to the dispute should donate

15125,000 to the Soldiers Welfare Committee. He himself was charging a token fee of 1510 on which "he would have to pay income tax."

The chairman of the Histadrut's Trade Union Department, Israel Kassar, said yesterday that the arbitrator's decisions gave Israel's salaried doctors more than the 22 per cent increase given to all other civil servants.

Speaking to *The Jerusalem Post* last night, Kassar said the Histadrut had recognized the justice in the junior doctors' demands for rises over and above the 22 per cent, and there was no justification for automatic demands for compensation by workers in other sectors.

Kassar said the Histadrut needed more time to study the arbitrator's decisions.

He also wants time to form a united Histadrut response that could restrain militant unions.

Kassar said he was concerned not to lead to a dissolution of the existing labour agreements, since that would harm production workers and would throw the economy into chaos.

Commenting on the arbitrator's ruling last night, Prof. Haim Doron, chairman of the Histadrut's Kupat Holim Haclalit said it "is inconceivable that the government would split the health system in two — one which it supports and one which it boycotts."

Doron said he believed the Treasury would provide Kupat Holim with the funds needed to meet the outlays resulting from the arbitrator's ruling.

Based on reports from Margery Greenfield, Macabee Dean and Joshua Brilman.

HOTELS. — Most of the country's hotels, guest houses and camping sites are booked to capacity for Rosh Hashana, the Tourism Ministry announced yesterday, with a few hotel rooms available in Jerusalem and Tel Aviv.



A detective inspects some of the hashish and the marijuana plants found during a raid in Holon yesterday.

Pot plants found in Holon garden

HOLON (Itim). — A man and his wife, in whose garden police found marijuana plants yesterday before dawn, have been placed under arrest here.

The man, 27, and his wife, 26, were caught smoking hashish with six minors during the police raid. Detectives who searched the apartment and garden found two sacks of marijuana each weighing 500 grams, in the freezer, and dozens of marijuana plants as high as 1.5 metres in the garden.

In Kiryat Gat, a 24-year-old resident of Moshav Otzem was arrested for 10 days on charges of possessing drugs. Police said that the suspect was caught with close to a kilo of hashish.

Three volunteers at Kibbutz Parod in Galilee were arrested by Safad police after a search of their rooms turned up two fingers of hashish.

In Haifa magistrate's court, Herman Ben-Eliyahu Davidovitz was convicted of possessing hashish and sentenced to six months in jail.

COALITION FREEZE

(Continued from Page One)

Abuhatzira said: "It is now clear that the Likud understands that without a repeal of the economic measures we will not join a new (Likud-led) coalition."

As for Agudat Yisrael, its representatives yesterday demanded that Shamir and his potential coalition colleagues commit themselves to passing the religious legislation — primarily the archeology and 'Who-is-a-Jew' proposals — which are unimplemented parts of the 1981 coalition agreement.

Leaving the meeting, Aguda MK Avraham Shapira said Shamir had promised to follow his predecessor's line on the religious legislation. But the Aguda is now demanding a timetable for the implementation of these laws, a measure opposed by the Liberal Party.

Well-informed sources in Jerusalem said yesterday the demands posed by Tami and Agudat Yisrael are "minor obstacles" — compared with those that have surfaced within the Likud regarding the chairmanship of the Ministerial Committee on Settlements and the deputy premiership.

Deputy Agriculture Minister Pessah Grupper, who is destined to become agriculture minister, has demanded that he also be appointed chairman of this key committee, which was held by his predecessor in the job, the late Simha Ehrlich.

But Minister-without-Portfolio Ariel Sharon, whose supporters in the Herut Central Committee backed Shamir for the premiership, is also keen on the chairmanship, and it is reported that Shamir has promised him the position.

Complicating the issue is the Tehiya Party's demand that Minister of Science and Development Yuval Ne'eman be named to the chairmanship. Tehiya fears that a Liberal in the chairmanship will no press forward with settlement in the administered territories as vigorously as they would wish.

The well-informed sources also pointed to a surfacing clash over the deputy premiership between Liberal Energy Minister Yitzhak Modai and Likud ministers.

The Liberals held the first deputy premier's position until Ehrlich's death, and are set on re-asserting their claim to it.

Social Affairs and Labour Minister Aharon Uzan yesterday said that Abuhatzira, after completing his jail term on corruption charges, will re-enter the cabinet, whoever forms the next government. Uzan, interviewed on Kol Yisrael, said he was willing to resign.

From the cabinet to enable Abuhatzira's return as a minister. Meanwhile, the Prime Minister's Office has not indicated when Begin will submit his resignation to the president.

Begin's press aide, Uri Porat, yesterday denied reports that Begin had cancelled an appointment with President Chaim Herzog for the eve of Rosh Hashana.

"Such an appointment was never set. There has been a tradition that Begin pays a call on the president on the eve of the holiday. We merely informed Herzog that this year Begin will not pay such a call."

This, however, has no connection with the timing of Begin's submission of the letter of resignation, said Porat.

Deputy Foreign Minister Yehuda Ben-Meir, who was in the NRP delegation, told *The Jerusalem Post* in Tel Aviv last night that he expected the president to ask Shamir to form a new government as early as next week and that Shamir would complete that task shortly after Yom Kippur.

Joshua Brilliant adds: The Labour Party today is to begin talks with potential coalition partners with a view towards establishing a government.

Observers suggested, however, that some of Labour's potential partners are using their meetings to strengthen their hand in the negotiations with the Likud over reforming the present coalition. The talks with Labour, the argument goes, indicate that the potential partners have an alternative should the Likud fail to meet their demands.

Labour Party sources, too, seemed to have their doubts about party chairman Shimon Peres' chances of forming an alternative cabinet. Thus a well-placed source said he did not believe Peres' chances had improved in the past few days despite the Likud's difficulties in putting together a new coalition.

The first meeting, scheduled for 4 p.m., is to be held with four of the six Knesset members who are pressing for the establishment of a national unity government headed by Shamir.

There seemed little chance that Peres, who heads a group of 50 MKs, will agree to serve in a government under Shamir, whose Likud has only 46 members.

Peres is scheduled to meet Burg at 6:30 p.m. Although the NRP had committed itself to try to form a coalition with the Likud, MK Yehuda Ben-Meir said it was going to the meeting requested by Peres "out of politeness" — but nevertheless it did not rule out going with Labour.

No meeting had been set with Tami but Labour sources said that was due to technical reasons only. Meanwhile, Peres was expected last night to try to arrange a meeting with Agudat Yisrael.

BHAMDOUN STRUGGLE

(Continued from Page One)

that landed in their sector a few hundred metres from the Khalde intersection during the fighting, marine spokesman Major Robert Jordan said.

Either Lebanese Army or Christian militia gunners were bombarding the Druse town of Shueifat east of the marine positions at Beirut Airport late yesterday, witnesses said.

In the mountains above the airport, fierce artillery and rocket duels that erupted only hours after the Israeli pullout continued for a second straight day.

Nervous Christian Phalangist militiamen waving pistols and shouting wildly turned back two Western reporters who tried to drive from suburban Yaze to the largely Druse town of Alei, 15 kilometres east of Beirut.

The hills echoed with staccato bursts from heavy machine guns and the constant drumroll of artillery pounding the villages and strongholds.

A milky haze from shellfire covered the ridgeline, obscuring the outline of towns along the crest.

At the base of the hills near Yaze, several shells crashed into the modernistic, glass and concrete Defence Ministry building. In the parking lot, shells smashed into several cars, turning them into smouldering wrecks.

The mainly-Druse Progressive Socialist Party issued a statement saying 40 civilians had been murdered in Kfar Matta, including a leading religious figure. The Phalangists have denied the claim.

With Beirut Airport closed, hundreds of Lebanese and foreigners crowded the city's harbour to catch a ferry service to Cyprus. Others were reported heading for the safety of Israeli-occupied South Lebanon.

In Beirut, Alfred Mady, a spokesman for the Phalangist militia, told reporters the Lebanese Army does not plan to enter the contested Alei and Shouf Mountains because the cabinet is split on the issue.

Mady, the Phalangist representative in Washington, said Christian militias had no choice but to stand and fight. He called on the Lebanese Army to move into the mountains "right now."

Meanwhile, the government continued efforts aimed at working out a ceasefire. Sheikh Hassan Khalid, spiritual leader of the Sunni Muslim community, called for a ceasefire in place followed by a dialogue of national reconciliation among the various sectarian groups.

Lebanese state radio late last night reported that a column of scores of Syrian Army trucks, carrying Soviet-made Grad ground-to-ground missiles, was moving towards the front lines in the mountains east of Beirut.

THE ISRAEL PUBLIC COUNCIL FOR SOVIET JEWRY

mourns the untimely death of

Senator HENRY JACKSON

of the U.S.A., a staunch champion of the rights of Soviet Jews to be united with their people and homeland, Israel.

His memory will always be cherished.

With deep sorrow, I announce the death of my beloved husband

Dr. HANS BÄCKER

The funeral took place Sunday September 4, 1983.

Wife: Susie Bäcker
The family in Israel and abroad



Yehzekel Steimatzky (Lester Millman)

Cheap flight for returning emigrants branded 'one big farce'

By JUDY SIEGEL
Jerusalem Post Reporter

Knesset Aliya Committee chairman MK Uzi Baram yesterday called the return today of 220 Israeli emigrants at discount fares "one big farce."

The effort was initiated by Peace Ship owner Abie Nathan last month. He persuaded Jewish Agency Executive chairman Arye Dulzin to subsidize the flight to the tune of \$10,000. The Absorption Ministry initially donated \$10,000, and added over \$40,000 when Nathan realized he could not fill the El Al jumbo with returning Israelis.

Baram told reporters the timing of the effort was bad, since most emigrants planning to return schedule their arrival before school opens in September. Since Nathan's initiative was announced only a few weeks ago, Baram

added, the discount fare of \$200 per seat (instead of \$443) had nothing to do with the Israelis deciding to return. Those who had decided to return merely returned more cheaply. Baram said the idea might have been worthwhile if the discount fare had been offered a year before the flight, so that emigrants would be encouraged to return.

Nathan persuaded El Al to offer a jumbo jet at minimum cost, offering Jewish Agency, Absorption Ministry and his own subsidies to make the \$200 ticket possible. But only 220 emigrants signed up. El Al demanded its money, and when Nathan was unable to pay, started selling full-price tickets for all passengers. The Absorption Ministry agreed to make up the difference between the \$200 ticket and \$443 ticket for each returning Israeli.

The Absorption Ministry is planning a festive welcome at Ben-Gurion Airport today for the returnees, with Absorption Minister Aharon Uzan and ministry director-general Eli Artzi present. Dulzin was invited as a

"personal guest" of Uzan, but the agency chairman does not plan to attend. A source in the Agency told *The Jerusalem Post* that had the aliyah department been consulted first about the flight, it would have advised against it. But the aliyah department had to agree to cooperate "so as not to look as if we reject new ideas," and because Dulzin had already agreed to help.

Baram, who has just returned from New York, Los Angeles and Montreal, stated that Absorption Ministry estimates of 25,000 returning Israelis this year are "exaggerated," putting his estimate at about 12,000. But he did sense increased interest in return, despite improving economic conditions in the U.S. and a floundering economy in Israel. He expressed concern that a worsening of the economy here and the release of soldiers who fought in Lebanon would lead to higher emigration.

Baram said there should be a complete separation between the authorities responsible for immigrants and those responsible for

emigrants. Today's policy regarding emigrants is "confused and divided," said Baram, with no single responsible "address." The state, through officials in every Israeli consulate and the Absorption Ministry, should be solely responsible for bringing back emigrants, and the Jewish Agency should be solely responsible for bringing immigrants, he said.

A source in the Agency said that appointing officers for returning Israelis in consulates would be a "large and wasteful expense," since the Agency already has a well-developed system of emissaries to deal with emigrants.

Meanwhile, Dulzin yesterday said he would demand the convening of the joint committee on aliyah and absorption as soon as a new prime minister takes office. The committee, which meets rarely and comprises the prime minister, other cabinet ministers and members of the Jewish Agency Executive, is supposed to coordinate policy on aliyah and absorption.



Paying a pre-New Year visit to a ward in Jerusalem's Hadassah Hospital yesterday are (right to left) Sephardi Chief Rabbi Mordechai Elihu, Ashkenazi Chief Rabbi Abraham Shapira, and Hadassah Rabbi Ya'acov Rakovsky. (Amir Gabrieli)

Joblessness among youth in new towns five times average

By CHARLES HOFFMAN
Jerusalem Post Reporter

About a quarter of the young people aged 18-24 in development towns are unemployed, compared with the national average rate of 5 per cent, according to a report released yesterday by the Ministry of Labour and Social Affairs.

The report on unemployment in 1982 was prepared by the ministry's manpower planning authority. It noted that the unemployment

figures for development towns are an average for the period of 1980 to 1982. The head of the authority, David Katz, said that the situation is probably the same for this year.

The overall unemployment rate in development towns was 5.9 per cent during 1977-79, a period of full employment, while the national average was 3.4 per cent. In 1980-82, the development town rate rose to 8.4 per cent, while the national average hovered around 5 per cent.

Close to 70 per cent of all the unemployed in 1982 were young men under 34, most without marketable skills. There is a higher proportion of discharged soldiers among the unemployed in development towns than there is nationwide.

The national average unemployment rate among teenagers (14-17) and those aged 18-24 has been about 15 per cent for the last three years. In development towns, though, the teenage unemployment

rate was 33 per cent and for the 18-24 group it was 23 per cent.

About 37 per cent of the unemployed in development towns were heads of households, compared with the national average of 42 per cent.

The report concludes that the unemployed young people in development towns represent a wasted potential, and recommends more vocational training and investment in industries demanding higher skill.

20% have worries over drug-taking, survey shows

By CHARLES HOFFMAN
Jerusalem Post Reporter

About 6.5 per cent of the adult Jewish population in Israel have taken drugs, mostly soft drugs such as hashish. And about a fifth of the public is concerned about either their own drug habits or about someone close to them using drugs.

These facts are revealed by Shlomit Levy who carried out a study for the Institute for Applied Social Research.

The group aged 25-29 has the highest rate of drug use, 12 per cent, and the 20-24 group is second with 9 per cent. Almost all hashish smokers are men under 40.

Of the 6.5 per cent of the entire sample of 1,150 adults who have used drugs, about half of them did so only once.

Israelis still have a long way to catch up with young people in the U.S., Levy says. Of the group aged 18-25 in America, 68 per cent have smoked marijuana at least once.

The study, the first to examine drug use among Israeli adults, was commissioned by the inter-ministerial committee on drug use.

Half of those who had tried drugs did so for the first time between the ages of 18-21. Those who started as teenagers tended to be regular or

heavy users at a later age. The vast majority of all users smoked hashish in their first encounter with drugs.

The study found little overlap between the hash-smokers and users of hard drugs such as methadone, a heroin substitute. But with the heavy hash users, the chances increase that they will also use hard drugs such as methadone and anti-depressants. About 1.5 per cent use methadone, and 0.5 per cent are heavy users.

Those who regularly smoke hashish tend to smoke cigarettes and drink alcohol frequently.

Close to 80 per cent of the public use pain relievers such as aspirin,

Acamol or Optalgin — 16 per cent at least once a week. A fifth of the sample uses tranquilizers or sleeping pills, and 6 per cent take anti-depressants.

Five per cent take an alcoholic drink at least once every two or three days, and 2 per cent drink every day. University graduates tend to drink more frequently than any other education group.

Soft drug use is spread evenly among Jews of Middle Eastern and European origin, but the heavy hashish users and those on hard drugs are found in higher proportions among the Middle Eastern Jews.

Herzog launches lottery for fiscally-ailing MDA

By MARGERY GREENFELD
Jerusalem Post Reporter

Amid growing concern about Magen David Adom's financial situation, President Chaim Herzog yesterday kicked off the emergency medical service's annual lottery by buying 200 lottery tickets which he intends to distribute to wounded soldiers.

At a ceremony at Beit Hanassi in Jerusalem, Herzog noted that MDA is an organization that "arouses instinctive identification in the heart of every Israeli. I am happy to open this lottery, although I don't usually take part in fund-raising activities."

The MDA, which has run into severe cash-flow problems in the past few months, hopes to raise \$100 million through the lottery, a sum which would cover 10 per cent of MDA's operating budget for fiscal 1983/84.

The threat of disruptions due to non-payment of salaries to its 800 workers has been temporarily lifted, following the transfer of part of the money that the Health Ministry owes to MDA for services rendered, the MDA spokesman said yesterday.

"We were just barely able to squeeze by this month and we paid our salaries on time," he said. "As

for next month, and the rest of the year, I just don't know. We hope the public will show its support and come to our aid by buying lots of lottery tickets."

This year's lottery is offering 25,441 prizes, including 12 cars, four savings certificates worth \$250,000 each, 16 round-trip flights to London, refrigerators, washing machines and 3,600 home first-aid kits. A bonus car will be raffled off among those who buy packages of four tickets. Each ticket costs \$60. The drawing will be held in Tel Aviv on November 8.

Speaking at Beit Hanassi yesterday, the chairman of the MDA executive, Dov Frankel, noted that during the past year, the organization transported 163,000 persons in its ambulances, including mothers-to-be, the sick and the injured, and accident victims. Over 21,000 people were treated by mobile intensive-care units and some 175,000 units of blood were prepared by the Blood Bank.

Nine veteran MDA volunteers, some of whom have been working with the organization since before the founding of the State, were honoured at yesterday's ceremony for their devotion and contributions to the health of the nation.

Man gives himself up after stabbing wife

Jerusalem Post Reporter

HAIFA. — Police say a man gave himself up after stabbing his wife of a few weeks in the stomach with a kitchen knife at their home on Rehov Yosef Tal in Kiryat Ata, Sunday night. Lily Michaelshvili, 24,

was rushed to Rambam Hospital in serious condition and later underwent surgery.

Her husband, Yitzhak, 26, was detained, but has not yet been charged.

Violent family feuding in 2 Galilee villages

NAZARETH (Itim). — A resident of Kafr Kanna near Nazareth, was shot in the abdomen yesterday during a fight between families that broke out in the village.

A number of shots were fired during the brawl, one of which struck the man. He was brought to the Central Emek Hospital in Afula, where he underwent surgery. His condition is described as fair.

Jail and stiff fine for driver without licence

NAZARETH (Itim). — A man caught driving without a valid licence and without insurance was sentenced last week in the local magistrates court to a year and a half in prison, his driving licence was permanently revoked and he

was fined \$21,000.

The man, Ma'adi Muhsein, 44, of the Beduin village of Shibli, had had his licence revoked a short time before the present incident after having run over and killed two soldiers and injuring two others.

Rishon parents warned teaching quality may fall

By LEA LEVAVI

TEL AVIV. — The level of instruction in English, Hebrew, Bible, mathematics and other subjects may go down in Rishon LeZion's elementary schools because of the new junior high schools, Yehudit Horowitz, representing the Histadrut Teachers Union, told a press conference here yesterday of parents who oppose the educational reform.

Horowitz said the teachers who left the elementary schools for the new junior highs tended to be the subject coordinators and other leaders, and without them the elementary schools "have no head and no spinal cord."

Since teachers who teach seventh and eighth grade in eight-year elementary schools also usually teach other elementary grades (from fourth grade up), the transfer of some of these teachers to the new junior highs will hurt fourth, fifth and sixth graders, she said.

Ya'acov Westschneider, a spokesman for the parents, said that more than half the city's seventh graders are continuing to study at their former elementary schools instead of attending the junior high schools to which they were assigned. The junior highs will not integrate children of different ethnic backgrounds, he said, because they will meet only during school hours

(and even then will be separated for part of the time because of the differences in educational level).

He said that because of demographic changes in the city and new building projects, the elementary schools are becoming integrated naturally, and children from different backgrounds who meet at a neighbourhood elementary school can also spend time together after school hours because the distances between their homes and the school are much shorter than between their homes and the new junior high schools.

The parents group denies the allegation that it represent only the

Ashkenazi element in Rishon, or that it is opposed to integration, claiming to represent parents from 12 schools and a cross-section of socio-economic backgrounds. The group says it is in favour of "real integration" preferably from first grade onward.

Yesterday, more than 800 seventh graders in Rishon were taken on a field trip to museums and other places of interest, arranged by the parents. Today, the children will be back in school, the parents said, but those children whose parents have decided to send them to seventh grade in the elementary schools will continue to attend there rather than the junior high schools.



This clay fertility symbol was unearthed during this season's dig at Tel Gerisa, near Ramat Gan. The dig was conducted by the archaeology department of Tel Aviv University. (Avraham Hay)

Gas firm ordered to refund deposit with linkage

The Jerusalem Magistrates Court last week ordered the Petrolgas company to pay today's equivalent plus interest on a \$1,300 deposit paid 18 years ago by a couple who later terminated their contract for gas cylinder service.

The plaintiffs, Ya'ir Green, an attorney, and his wife Gabi, said that when they requested the return of their deposit the company offered them \$530, the shekel equivalent of their deposit, according to the report of the case in *Yedioth Ahronot*.

Judge Miriam Naor said she was following the reasoning of the Supreme Court in ruling that such deposits should be linked to the index and bear 3 per cent interest. She also rejected the company's offer to pay the plaintiffs the current deposit it collects.

The company must therefore pay linkage and interest amounting to \$15,000, in addition to \$5,000 costs.

New Zim bulk carrier arrives in Haifa port

Jerusalem Post Reporter

HAIFA. — A large bulk carrier purchased by the Zim company at a bargain price, the \$2,000-ton Beersheba, arrived here for the first time yesterday.

The Zim spokesman announced that the 10-year-old ship was bought for \$5 million. It was built in Denmark.

The Beersheba, which will have an all-Israeli crew of 29, will join Zim's renewed bulk-carrying fleet bringing grain from the U.S. and taking potash and phosphates to the U.S. and Europe. On its first voyage under the Zim flag it brought a cargo of coal from Britain.

Police arrest man for indecent acts

TEL AVIV (Itim). — A former guard at the Forensic Medicine Institute in Abu Kabir in Tel Aviv was arrested on suspicion of bringing small girls into the institute, showing them dead bodies, and then performing indecent acts on the children.

The suspect denied the charge. Judge Eliezer Cohen ordered him held for three days, after which he may be released on \$520,000 bail.

VALID UNTIL 30.9.1983
THE PALACE
Tel Aviv
\$499
SPECIAL MONTHLY RATE
2 ROOMS ONLY SINGLE OCCUPANCY
\$1495 \$2495
PER PERSON ROOM ONLY SINGLE ROOM ONLY
INCLUDE SERVICE CHARGE
VAT SHOULD BE ADDED WHEN APPLICABLE
277 Haharshon Street Tel Aviv 44511

SOL LINES

Notice to passengers sailing on the "Sol Olympia" on Wednesday, September 7, 1983.

Embarkation will take place at Haifa Port between 9-11 a.m. Passengers are requested to embark during these hours.

Y. Caspi Ltd.
General Israel Agents

THE ISRAEL PHILHARMONIC ORCHESTRA

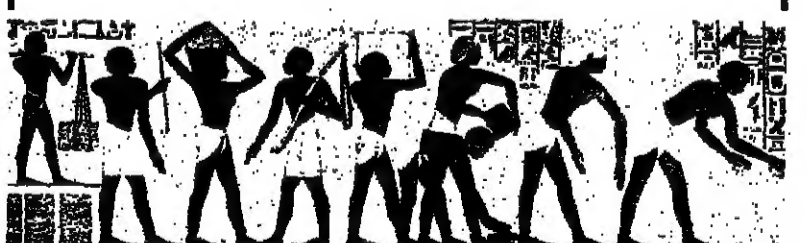
MUSIC DIRECTOR: ZUBIN MEHTA

ANNOUNCEMENT TO SUBSCRIBERS IN TEL AVIV

The direct line to our Subscription Department in Tel Aviv is out of order.

Please dial instead: 03-295093,
10 a.m.-1 p.m.; 4-6 p.m.

Unlock the biblical world beneath your feet



Archaeology of the Bible: Book by Book by Gaalyah Cornfeld

The key to understanding the biblical world is found under your feet, and under the buildings, streets and fields of modern Israel. Discover the wealth of archaeology and its insights into biblical history. In *Archaeology of the Bible: Book by Book*.

Archaeology of the Bible is a newly revised, up-to-date archaeological commentary on the Bible, with over 400 illustrations, photographs and maps. It is the perfect accompanying volume to enhance biblical history studies, or to broaden the knowledge of amateur archaeologists and inquisitive tourists.

IS 650

Archaeology of the Bible is published in softcover by Harper & Row, and distributed by Barmann. It is available at better bookshops, and at all offices of The Jerusalem Post, or by mail. To order, fill out the form below and send it with your payment to The Jerusalem Post, P.O. Box 81, 91000 Jerusalem. Make cheques payable to The Jerusalem Post.

To: The Jerusalem Post Books, P.O. Box 81, 91000 Jerusalem
Please send me *Archaeology of the Bible: Book by Book*, by Gaalyah Cornfeld.

My cheque for IS 650 is enclosed.

Name

Address

City Post code

Phone number (days) (even)

The price noted above will be honoured through September 30, 1983

U.S. plane was in area of downed Korean craft

MOSCOW. — The Soviet Union accused Washington yesterday of fanning hysteria over the South Korean airliner loss to provide a credible excuse for deploying new missiles in Western Europe.

A statement by the official news agency TASS described the incident as a deliberate provocation to disrupt disarmament talks in Geneva, the latest round of which is due to begin today.

On Sunday, a Soviet report on the incident said that the pilot who encountered the jumbo jet over Soviet territory Thursday thought it looked like a U.S. reconnaissance plane, and fired only warning shots near the aircraft after several attempts to establish contact with it.

But the Soviet anti-aircraft defence chief, Col. Gen. Semyon Romanov, in an interview published by Tass did not admit that the pilot shot the Boeing 747 out of the sky, as has been charged by various other governments.

In the most detailed Soviet account yet, Romanov said the pilot thought the commercial jetliner looked like a U.S. intelligence RS-135 aircraft (the reference was apparently to a U.S. RC-135).

He reiterated Soviet claims that the plane flew without navigational lights and "did not respond to all actions by our interceptor-fighters, whose pilot undertook for a long period repeated attempts to lead the intruder plane to the closest Soviet airfield."

In Washington, an Administration official said on Sunday night

that a U.S. reconnaissance airplane was operating in the vicinity of the Soviet coast at the time the Soviet air defences began to track the Korean jetliner.

The presence of the spy plane raised the possibility that the Soviets thought they were tracking the U.S. aircraft when they were actually pursuing the passenger jet, the official acknowledged. The spy plane was 1,600 km. away from the area of the shooting, said the official, speaking on condition that he not be identified by name.

Another official, also requesting that he not be identified, said the Korean aircraft and the U.S. airplane never came closer than 120 km., and when they crossed paths, they were 480 km. apart.

The disclosure was made as White House aides worked on a presidential address to the nation last night in which Ronald Reagan was to reveal American sanctions against the Soviet Union.

South Korea yesterday denied Soviet allegations that the jumbo jet with 269 people aboard was on a spying mission when it was shot down by Soviet fighters.

"It was a very, very genuine peaceful commercial aircraft, period," Foreign Minister Lee Bum-Suk told a press conference here.

The head of Korean Airlines said yesterday that there is a "strong possibility" that the Soviet Union may have developed a system to cause a plane to stray off course.

Ciskei bans black trade union

EAST LONDON, South Africa (Reuters). — The government of the nominally independent tribal homeland of the Ciskei has banned a major black trade union, according to an announcement yesterday.

Ciskei Radio said the ban on the South African Allied Workers Union (SAAU) was immediate. Most of SAAU's leaders are already in jail, having been detained by South African police in recent

weeks in a crackdown on union activity.

SAAU has been engaged in a bitter fight with both the Ciskei and South African authorities for at least three years over the unionization of workers.

The Ciskei is one of a handful of homelands carved out of South Africa's traditional borders by the white-minority government in Pretoria.

Military maternity wear won't fit Belgian budget

BRUSSELS (AP). — The Belgian defence ministry has told women in the armed forces to wear civilian clothes when they are more than three months pregnant.

Budget cuts have left no room to design military maternity wear, according to Defence Minister Alfred

Vreven.

"After the first three months of pregnancy," Vreven said in answer to a parliamentary question, women in the armed forces will get special permission from a doctor "to wear civilian clothes in the absence of appropriate uniforms."



File photo of U.S. reconnaissance jet RC-135 taken at U.S. Kadena military base, Okinawa. This plane carries an extensive amount of electronic spy devices. (UPI telephoto).

'Challenger' completes near-flawless flight

EDWARDS AIR FORCE BASE, California (Reuters). — The five-man crew of the U.S. Challenger space shuttle completed a "fabulous mission" yesterday, landing the spacecraft in darkness for the first time.

"That was fun," mission commander Richard Truly, 45, said shortly after the shuttle touched down and rolled smoothly to a halt at Edwards Air Force Base outside Los Angeles. "Let's go and do it again."

Challenger appeared out of the black night sky — gliding at 345 kilometres per hour with no landing lights — and touched down moments later in the glow of high-intensity lights along the concrete runway.

On their six-day flight, the astronauts accomplished their major tasks with only minor problems. It started with a night-time launch at Kennedy Space Centre, Florida, when the reusable spacecraft was sent off in the dark for the first time.

Lieut. Gen. James Abrahamson, who heads the space shuttle programme, told reporters after the landing: "From our viewpoint it was just a fabulous mission."

He said the flight, the third for Challenger and eighth in the shuttle programme, was the cleanest mission yet.

Mission specialist Guion Bluford, 40, the first black American to fly in space, said: "It was a really fabulous experience flying the shuttle...The United States has a tremendous future with the space shuttle."

The astronauts deployed a communications satellite for India and tested the orbiter's 16-metre mechanical arm and a new satellite link between the ground station and the shuttle.

Mission specialist William Thornton, a physician who is 54 is the oldest American to fly in space, collected data on the motion sickness affecting about half the shuttle travellers.

Drought in U.S. decimating farm crops

CHICAGO (Reuters). — One of the worst droughts ever experienced in the U.S. has shrivelled crops and scorched pasture land across a vast area of the country east of the Rocky Mountains.

Nearly two months of hot weather with successive days of 38° Celsius temperatures and above combined with very little rainfall have created what officials are calling a multi-billion dollar agricultural disaster.

The National Weather Service has predicted little relief for the next 30 days.

Illinois and Iowa, which together produce the bulk of the country's corn crop, have both declared agricultural disasters, as have neighbouring Indiana and Missouri. Some farmers in Iowa are reported to have lost their entire crops of corn.

A government report issued last week estimated that more than \$7 billion worth of crops had been lost. The same report said that last month was the hottest since 1947 and the second hottest in 53 years of recordkeeping.

Accused spies go on trial in S. Africa

CAPE TOWN (AP). — A South African navy commodore and his wife, both accused of spying for the Soviet Union, appeared under heavy security when their trial began in the supreme court yesterday. Justice George Munnik immediately sent the court into a closed session to hear a request from the prosecutor that the trial be held in camera.

Lawyers for Commodore Dieter Gerhardt, 47, and his Swiss-born wife, Ruth 41, said they would oppose a closed trial.

Gerhardt, with 21 years in the navy, commanded the dockyard at the Simonstown naval base, South Africa's main naval installation, when he and his wife were arrested in January.

Moscow peaceniks arrested on way to UK Embassy

MOSCOW (AP). — Four members of Moscow's only independent peace group were arrested yesterday while on their way to the British Embassy to collect a letter from Prime Minister Margaret Thatcher, a group member told Western correspondents by telephone.

Yuri Medvedkov said his wife, Olga, Mark Reitman, Sergei Rosenoer and Valery Godyak were

detained a short distance from the Embassy.

A British Embassy spokesman said the four had an appointment to pick up the letter but never appeared.

It is Thatcher's response to a letter the group wrote to her last June protesting against the treatment of British anti-nuclear demonstrators. The group members were briefly detained at that time.

Guerrillas hit major El Salvador city

SAN SALVADOR (AP). — Left-wing guerrillas bombed the eastern city of San Miguel on Sunday in what residents and rebels called the strongest mortar barrage fired by the insurgents in the four-year civil war.

The rebels' clandestine radio described the bombardment of El Salvador's third largest city as the biggest ever by their forces and said 300 people had been killed or wounded.

Army spokesmen in San Salvador said 10 soldiers were killed and 35

wounded in the attack. But military officers in San Miguel said at least 30 soldiers and five rebels died in the fighting. There was no report of civilian casualties.

Other military sources said two soldiers were killed and 17 wounded in clashes with rebels in Morazan Province, north of San Miguel, but they had few details of the fighting. They said army reinforcements travelling to San Miguel from Morazan were ambushed a few kilometres northeast of the city.

Libyan jets stage bombing raid on Chadian outpost

N'DJAMENA (AP). — Libyan jet planes launched a violent bombing attack on the Chad outpost of Oum Chalouba yesterday, causing damage and casualties among the civilian population, the government of President Hissene Habre announced here.

Information Minister Soumaila Mahamat said the 90-minute attack by Soviet-made MIG and Sukhoi fighter-bombers was the "expected revenge" for the defeat suffered by Libyan-led rebel forces who tried to overrun the government garrison at Oum Chalouba on Friday.

Soumaila said the Libyan planes began an intensive bombardment at 4.30 p.m. which continued without interruption until nightfall at 6 p.m.

It was the first reported action by the Libyan air force in Chad since the bombing of Oum Chalouba, 640 km. northeast of N'Djamena, on

August 14. Earlier yesterday, the government rejected an oblique offer by rebel leader Goukouni Oueddei to negotiate if French troops stationed here were withdrawn.

Information Minister Mahamat Soumaila said the offer, made at the weekend when Goukouni met journalists in northern Chad, was "pure fantasy." He said the long-standing view of President Hissene Habre's government that it could negotiate only with Libya remained unchanged.

Chad says Libya has 6,000 troops in its territory and western sources say Tripoli has poured men and material into the north during the last month. Libya denies having a single soldier in Chad.

Goukouni said in his headquarters at Bardai that a pull-out of the 2,000 French troops in Chad to bolster the government was a prerequisite to negotiations with Habre.

Zia links foreign states to Sind province violence

RAWALPINDI, Pakistan (AP). — President Zia ul-Haq charged yesterday that more than one foreign country is behind the three-week-old violence in southern Sind province that has claimed at least 15 lives.

"We have sufficient proof that there is not just one country but other countries involved in encouraging, primarily financially, such a destructive but very small movement to undermine the law-and-order situation," Zia told reporters.

He declined to identify any of the countries or to elaborate on his charge. Asked specifically if he thought neighbouring India was involved, he said there had been certain statements about the unrest by Indian leaders, and reporters could "put two and two together."

Indian Prime Minister Indira Gandhi and External Affairs Minister P.V. Narasimha Rao reportedly support the Sind-based campaign by The Movement for the Restoration of Democracy, a

loose coalition of eight opposition political parties.

Asked if he thought their statements of support would harm relations between India and Pakistan, Zia replied: "I don't think so."

"Such statements are very unfortunate," he said, adding that he hoped India would take note of Pakistan's patience and "refrain from making irresponsible statements in the future."

The president said the slaying of seven policemen in the Sind town of Moro on Saturday was "very unfortunate," and praised authorities there for using restraint. He added that the government knows the cause behind the violence in Moro, 280 kilometres northeast of Karachi, and would "deal with it." He did not elaborate.

The president said the trouble in Sind was not a political problem. Rather, he said the people responsible for the violence opposed the Islamization of Pakistan. He said these people should be identified and punished.

Turk prosecutor asks death penalty for 61 leftists

ISTANBUL (Reuters). — A mass trial opened in Istanbul yesterday with the military prosecutor demanding death sentences for 61 of 254 people accused of belonging to the illegal Dev-Sol (Revolutionary Left) organization, reporters in court said.

The defendants, being tried by Istanbul martial-law courts, are charged with 38 murders, attempting to change the state's constitutional order and a number of murder attempts, armed attacks and robberies.

In a 453-page indictment, the military prosecutor asked for jail sentences of one year to 36 years for the other defendants. There are four separate Dev-Sol mass trials under way in Istanbul and several more around Turkey.

National Party wins in Nigerian elections

LAGOS (AP). — The dominant National Party of Nigeria won nearly 60 per cent of the seats in the House of Representatives, according to final results of the August 27 elections released on Sunday.

President Shugu Shagari's National Party won 263 seats in the 450-seat house followed by the Nigerian People's Party with 48 seats and the People's Redemption Party and Unity Party of Nigeria with 41 seats each.

Voting has been put off indefinitely in Oyo and Ondo states, both Unity Party strongholds, following violence after the gubernatorial elections in mid-August. Police said 43 people died in the disturbances.

SCHMIDT. — Former West German chancellor Helmut Schmidt will visit Egypt September 22-29, according to reports in the early editions of the official Cairo press yesterday, which added that Schmidt will be the guest of President Hosni Mubarak.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

Sports

Teenage triumphs

Post Sports Staff

Aaron Krickstein pulled off one of the most stunning upsets in the history of the U.S. tennis Open when he toppled fellow American Vitas Gerulaitis in five prolonged sets for a third-round triumph. Krickstein, a 16-year-old high-school pupil from the Detroit area, dazed a capacity crowd with his devastating groundstroke assault on the 15th seed who was in characteristically inconsistent form. The final score was 3-6, 3-6, 6-4, 6-3, 6-4.

The top American Jewish junior is the national under-18 champion but is ranked only 500 on the professional tour. His victories at Flushing Meadows are his first on the Grand Prix circuit. He is the youngest ever male player to reach the fourth round of the Open.

The victory puts him into a battle against fourth-seeded Frenchman Yannick Noah who beat Eric Korita 5-7, 6-3, 6-3, 6-4.

Apart from the big three — McEnroe, Leand and Connors who all sold out games — there were notable wins for John Kriek in a grueling five-setter over Roscoe Tanner, for the unheralded Swede Joakim Nyström and for Ecuador's Andres Gomez who put out another seed Steve Denton 6-3, 6-4, 6-4. The fourth-round lineup also included McEnroe v. Connors, Leand v. Dickson, Tschick v. Holmes, Noah v. Krickstein, Connors v. Mayer, Nyström v. Kriek, Villander v. Gomez and Kriek v. Leand.

There was also a stunning victory for another young American Jewish player, Maccabiah champion Andrea Leand, who put out sixth-seeded Australian Wendy Turnbull in the women's event. Leand, 19, proved too steady from the baseline and took advantage of Turnbull's net-rushing tactics to pass her frequently and win 7-5, 4-6, 6-2.

Other women players to advance to the fourth round include Anne White, Zina Garrison and Kathy Jordan of the U.S., Jo Durie of Britain and Ivana Madruga-Ojeda of Argentina.

Bitter birthday

Post Sports Staff

Israel's Amos Mansdorf made a brave bid but faltered at the last hurdle and was beaten in the final of the Canadian junior tennis Open in Montreal on Sunday evening. Victory in the tournament went to Australia's Raymond Yul, seeded third, who chalked up a close 7-6 (7-4), 6-3 triumph over the young Israeli.

Mansdorf was celebrating his 17th birthday on the same day earned 70 points on the junior tour for his effort in the championships to bring his tally for the year to 245.

The 17th birthday was celebrated by Mansdorf who just another American Shawn Feltz 6-4, 7-6.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

He will be accompanied by his wife, Annika Schmidt.

Begin Quits At a Perilous Moment in Middle East

By DAVID E. SHIPER

FOR nearly a year, Menachem Begin has been fading away like an old soldier. Gone is the combative orator whose blistering candor infuriated Washington and thrilled much of Israel. Gone is the maverick politician with the perfect sense of timing to invoke decisive authority over squabbling ministers.

He has always thrived in the face of outside attacks, exhilarated by defending his vision of an invincible Jewish state bound by ancient borders. But now the affliction comes from within. The underground fighter who has been Prime Minister since 1977 has somehow lost his fire, descending into a twilight of melancholy and exhaustion after the death of his wife, Aliza, last autumn.

To a certain degree, he has taken the country with him into this stagnant mood of depression. The army is stuck in Lebanon, Israeli soldiers are still being killed. The numbing pain of war without end stirs grief, but no longer ignites fury or bold decision. The economy, puffed up by inflation and debt, sizzles on the edge of crisis, and, like the war, seems to run its own dangerous course beyond Mr. Begin's control. Last week, he gave up and suddenly said he would resign.

In a symbolic coincidence, Mr. Begin's deterioration mirrored the erosion of the general Middle East situation. As he made his announcement, incipient civil war exploded in Beirut, shattering the last lingering illusion Israelis may have had that their invasion of June 1982 had opened a way to a stable, peaceful Lebanon. Shiite Moslem militias battled the Lebanese Army and peace-keeping troops were caught in shelling attacks that killed two American marines and four French military personnel. Israeli troops prepared to withdraw from the Shuf Mountains overlooking Beirut to more defensible positions southward, leaving rival Druze and Christian factions to make their own warfare. At the same time, President Reagan's revival of his plan for ending Israeli control over the West Bank stirred no interest whatever; neither Jordan, the dispersed Palestine Liberation Organization, nor Israel has been willing to accept the plan as the basis for talks. (Death in Beirut, disappointment in Washington, page 2.)

The quagmire in Lebanon has become a lesson in the limitations of military power and by all accounts has weighed heavily on Mr. Begin. Just a year ago, in an optimistic interview with The New York Times, he was confident the Syrians would withdraw, allowing Israel to withdraw as well. At the time, 345 Israelis had been killed. The death toll has since risen to 517, with no end in sight.

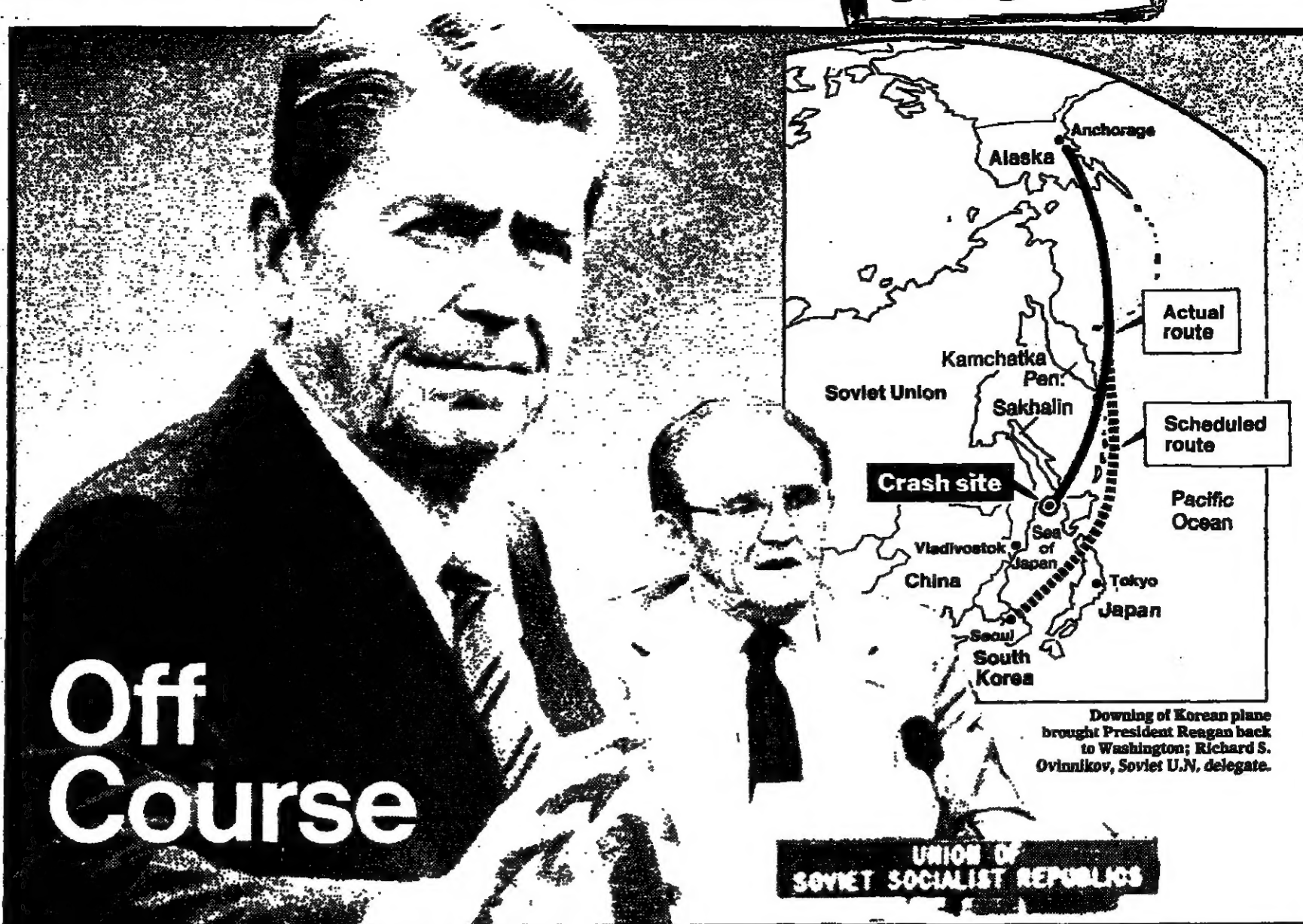
Emphasis on Militancy

The ambitious Lebanon war grew out of the side of Mr. Begin's personality that his Israeli critics have found most disturbing — his high regard for armed force, his infatuation with generals, his emphasis on the militant, rather than humane, ethics of Jewish statehood. These attitudes, shaped in his youth in Poland by the Holocaust, led him to a deep well of Jewish impulse that celebrates the newfound capacity of a persecuted Jewish people to mount an army, defend itself and shed the fearful weakness of the past. Such values are integral to the emotions of Israel. He has given them a grandeur and a sense of mission that has made his perspective on international politics, as he said, as he was loved by his divided countrymen, his last stature that will be a dwarf the man who comes after him.

In the near term, Mr. Begin's resignation does not seem likely to provoke basic revisions of policy. His successor as head of the Herut Party, Foreign Minister Yitzhak Shamir, is also a veteran underground guerrilla from pre-state days and a part of the same radical wing of the Zionist movement. He has no evident differences with the Begin platform, and may even toughen it if he manages to hold together the governing coalition of right-wing and religious factions. Certainly Mr. Begin cannot rest easy that Mr. Shamir will be a reliable custodian of his concept of an Israel that includes the West Bank. Some Israeli experts believe that with his Jewish settlements there, Mr. Begin may have already succeeded in sealing off future options for giving up the territory if Jordan or the Palestinians offer peace in exchange.

Still, because Mr. Begin liked to operate in a historical dimension, addressing the broad destiny of Israel and the Jewish people and ignoring many daily details of government, his tough, unyielding vision had a moral content that may wane in his absence, to be replaced gradually by the mean pragmatism and reactionary zeal that have already become byproducts of his policies.

Menachem Begin made Israel's first peace with an Arab neighbor — Egypt — and made Israel's first war of choice, in Lebanon. He gave up Sinai, annexed the Golan Heights and tightened the hold on the West Bank. He helped determine the realities of the Middle East, but he was also trapped by the hatred of Arab-Jewish hatred, from whose grasp neither he nor his predecessors could free themselves. Those who come after him will, eventually, be shaped by a different history, as the generation of the Holocaust gives way to a new generation whose past is rooted not in Europe, but in the Middle East. For the moment, the Herut leadership has put off that transition by electing Mr. Shamir over Deputy Prime Minister David Levy, a 45-year-old Moroccan-born Jew who came up through Israel's poverty. Mr. Levy and his generation will have to wait, but probably not for long.

Sygma/W. Scharf
Yitzhak Shamir

Off Course

Outrage at Soviet Comes Easier Than Action

By LESLIE H. GELB

EVER so rarely, something happens that cuts through the ambiguities of politics and proves a point. Last week, a Soviet fighter plane shot down a South Korean passenger airliner that had strayed over Soviet territory, killing 269 people. The point, if it needed reaffirmation, was that the leadership of the Soviet Union is different — call it tougher, more brutal or even uncivilized — than most of the rest of the world. President Reagan said the incident was "horrifying" and called for "revelation," whatever the exact or possibly extenuating circumstances.

The Soviet invasion of Afghanistan and its intimidation of Poland may be explained away, at least in part, as power politics. But not this and not acts such as trumping up charges against dissidents, not inhuman and elemental acts, to judge by the reaction from Congress and elsewhere. Nevertheless, the Reagan Administration was still left with the question of how to respond in other than hostile, symbolic or self-defeating ways, and what to do, more generally, about Soviet-American relations.

In the short run, the incident lends great weight to Mr. Reagan's portrayal of the Soviet Union as an "evil empire." It strengthens him politically on the Pentagon budget and Central America and diplomatically in marshaling support in Europe for deploying new missiles. But in the long run, the harder Mr. Reagan comes down on Moscow now, the more difficult it will be to improve relations later. By Presidential election time, he may need to show progress in reducing Soviet-American tensions and producing an arms control treaty.

Soviet Paranoia

These and related issues were being discussed late last week in the White House and State Department. Officials at State went out of their way to insist the shoot-down was an international, not bilateral, issue. Their aims were to keep other countries involved and to hold the door open for continuing a dialogue with Moscow — particularly at the meeting scheduled this week in Madrid between Secretary of State George P. Shultz and Soviet Foreign Minister Andrei A. Gromyko. But Henry A. Kissinger and others urged that the get-together should be canceled, among other acts of retribution, and statements from Moscow were making matters worse. The first Tass announcement, after the downing of the aircraft had been confirmed around the world, merely noted that an unidentified plane had flown over Soviet territory and that Soviet fighters went aloft to investigate. Tass's follow-up statement was seen in Washington as nothing short of outrageous. Moscow denied responsibility for whatever happened and implied the Korean airliner was on a spy mission and had flown off course deliberately — "a pre-planned act" designed to challenge Soviet security.

Such comments only added to the sense that it took a special kind of mentality and political system to institute rules of engagement that would empower the military to destroy civilian aircraft. "We understand Soviet paranoia and inordinate sensitivity about the inviolability of air space and territorial waters," a State Department official said. "But planes, civilian and military, do fly off course. When Russian and Cuban planes went off course over the United States in years past, we didn't shoot them down, we let them back on course and suspended their flight privileges for a while."

Mark of the Military

The Soviet action, unfortunately, was not without precedent. Israel shot down a Libyan civil airliner in 1973 over Sinai, killing all 74 on board. In 1979, guerrillas in Rhodesia hit a national airliner with a missile, killing 38 passengers. Bulgaria downed an Israeli airliner in 1965, killing all 56 on board. The Russians crippled a South Korean civilian jet in 1978, with two dead, after the plane wandered in their airspace for hours without being picked up by the vaunted Soviet radar systems. Indeed, a popular theory in the Administration is that this embarrassing event caused the Soviet military to tighten procedures in a manner that contributed to last week's disaster. "It seems highly improbable to us," said an intelligence official, "that the decision to attack the airliner last Wednesday went beyond the military chain of command to the civilian leadership. It was so stupid an act that it's hard to believe the political leadership made the decision. But we don't know and never will."

Larger questions — also without conclusive answer — were being asked: Have the United States, the Soviet Union and others placed too much faith in technology that allows for hair-trigger decisions by military pilots and their ground controllers or in the computers that

seemingly led the airliner astray? Can international law be so flimsy, and tensions and hatreds so uncontrollable, that such acts become possible? Can the West have serious dealings with a country with so brutal a mentality?

Anti-Soviet fever is running high. Conservatives, in particular, are calling for the imposition of an array of sanctions, from removing Soviet and American embassy personnel to suspending the recently signed grain agreement and the arms control talks. They are demanding maximum pressure on the allies to get tough and they have never been in a stronger position to make their case about the dangers of trusting and trading with Moscow.

Yet, it is striking that the Administration has thus far resisted transforming tragedy into confrontation. Mr. Reagan, with a good bit of tugging from the State Department, has seemingly chosen the path of strong rhetoric without irrevocable and harsh retaliation. The strategy seems to be to seek a propaganda victory in the United Nations and with world opinion, to embarrass and isolate the Soviet Union, but not to rupture the dialogue nurtured in recent months. The State Department argues that dialogue is especially necessary so Mr. Shultz can make his points about the tragedy and its dangers face to face with Mr. Gromyko, and the tensions that may have contributed to the tragedy can be abated.

It looked as if Mr. Reagan would go along with this approach in the next days. But it is not an easy position to sustain, especially for a President who so deeply believes that the Russians do not play by the same rules as the West and who will be under enormous pressure from his closest political allies to assert these beliefs. Nor is there any telling exactly what Moscow might do next.

Lost: Korean Jet, 269 Lives, and Credibility

Associated Press
Koreans protesting outside the Soviet embassy in Tokyo.

from Communist Party officials in France and Italy.

In the United Nations Security Council, Canadian and Australian delegates deplored the attack as murder and a massacre. But Soviet Ambassador Richard S. Ovinnikov offered no apologies. He accused Washington of conducting a "dirty anti-Soviet policy" to justify its "irresponsible policy to prepare for nuclear war."

Pursuing this line yesterday in what Western diplomats saw as a partial admission of complicity, Tass accused Washington of "trying to cover the traces of a provocation against the Soviet Union, using a South Korean aircraft, which flew from the U.S.A. and intruded into the airspace of the U.S.S.R."

Mr. Reagan cut short his California vacation and returned to Washington for a special National Security Council meeting. The attack, he said, raised questions about the usefulness of "legitimate mutual discourse" with the Soviet Union.

But Senator Howard H. Baker Jr. of Tennessee, the Senate Republican leader, insisted the obligation remains "to continue the dialogue with the Soviet Union in the quest for peace." And Mr. Reagan, in his weekly radio address yesterday, added that the incident required world leaders to deal with the Russians "in a calm, controlled but absolutely firm manner." The Administration quickly decided not to suspend the recently signed \$10 billion Soviet grain agreement or to cancel arms control talks. Making that clear, Mr. Reagan met with Paul H. Nitze, his chief negotiator at the Geneva talks on medium-range missiles, which are to resume Tuesday.

Secretary of State George P. Shultz said he would demand an explanation from Soviet Foreign Minister Andrei A. Gromyko at their meeting this week in Geneva.

The Administration is expected to ask European and Asian allies to

temporarily suspend civil air links with the Soviet Union and seek to condemn it in the International Civil Aviation Organization.

American and Japanese intelligence tapes monitored Korean Air Lines Flight 7, flying to Seoul from Anchorage, Alaska, on a course that normally skirts sensitive military installations on the Soviet Pacific coast. The tapes evidently were consulted after contact was lost with civil air controllers. They indicated the plane strayed hundreds of miles off course, for as yet unexplained reasons. Eight Soviet planes tracked the Boeing 747 for 2½ hours and one flew within visual range before an air-to-air missile was fired on orders from ground commanders, the tapes indicated. Soviet fighters "fired warning shots with tracer shells," Tass admitted. But Moscow, attempting to stand the information on its head, accused the United States of keeping the plane under surveillance without attempting to get it back on course or inform Soviet authorities. The plane, Tass said, did not have navigation lights and did not respond to queries or react to signals and warnings from Soviet fighter planes that "tried to establish contact" and "take it to the nearest airfield on Soviet territory." It violated Soviet airspace over Kamchatka Peninsula and Sakhalin Island — both bristling with missile, submarine and air bases — in "a pre-planned act." Tass contended. Intercepting warplanes normally rock their wings and flash lights to order an intruder to follow them down; the tape citations did not indicate whether this procedure was followed.

All 269 passengers and crew members were lost, including Representative Lawrence P. McDonald, a Georgia Democrat who headed the John Birch Society, 60 other Americans, 105 Koreans and 10 Canadians. Seoul officials said most of the other passengers were from Japan, Taiwan, Philippines and Hong Kong.

A Free Gift For Openers

Deposit a minimum of US \$500 for one year and take home a free gift from us, while enjoying all the benefits of a free foreign currency account.

bank leumi le-israel בנק לאומי



The World

In Beirut, Peacekeepers Also Die

To Beirut, it was a return to the bad old days. To the United States, France and other peacekeepers, it was direct involvement of the most tragic kind. In the worst fighting since last summer's Israeli invasion, Lebanon's many sects last week resumed the civil war of 1975-1976. By the time the Lebanese Army could regain control in Beirut, two American marines and four members of the French force were dead.

That the American-trained Lebanese Army could reassert authority in the streets of Moslem West Beirut, after house-to-house combat and considerable casualties, was important to the survival of President Amin Gemayel's Government, which can claim little if any authority elsewhere. While Shiite Moslem Amal militia unleashed gunmen with automatic weapons and rocket-propelled grenades, Druse forces backed them with mortar and artillery fire from the hills overlooking the city.

The international force of 1,200 marines, 2,000 French, 1,400 Italians and 90 British are in the Beirut area to back the Lebanese Government's efforts to extend its authority over the fractured country. The American zone covering the Beirut airport came under small-arms and grenade fire Sunday when Shiite militiamen attacked a Lebanese Army outpost east of the airport. The next day the marine positions again were hit, this time by mortars; Second Lieut. Donald G. Losey of Winston-Salem, N.C. and Staff Sgt. Alexander M. Ortega of Rochester, N.Y. died. Fourteen marines were wounded. Further fighting brought the three other peacekeeping forces under fire and three French soldiers and a paramilitary policeman were killed and four Frenchmen were wounded.

A shocked Washington staged a battle over legalisms. In an effort to stave off pressure to invoke the War Powers Act, which would give Congress power to force removal of American troops within 90 days, the Administration said the contingent was not engaged in hostilities or the target of direct attack. Administration officials also announced there would be no change in the peacekeeping role and no effort to beef up the marine forces. President Reagan yesterday reviewed the situation with Robert C. McFarlane, his special Mideast envoy, and his national security advisers.

Nonetheless, the aircraft carrier Eisenhower moved close to the Lebanese coast and 2,000 marines were dispatched to Lebanese waters from Mombassa, Kenya, where they had held an amphibious exercise, to join a floating force of 600 marines for possible duty ashore. France also sent a backup—the carrier Foch.

President Gemayel's bid for a peace meeting among the conflicting forces at his palace in Baabda outside Beirut was rejected by one major group, the National Salvation Front, which includes Druse leader Walid Jumblat, former President Suleiman Franjeh, a Maronite Christian, and former Prime Minister Rashid Karami, a Sunni Moslem.

Mr. Jumblat in fact threatened to attack the marines and other peacekeeping forces "unless they remain neutral." The Shiites were not cooperating with Mr. Gemayel either, but yesterday, the Lebanese President took up a Shiite leader's challenge to demonstrate evenhandedness—he sent Lebanese Army tanks into Christian East Beirut, where they met no resistance.

The hostility of the Druse appeared to be provoked to a large extent by the prospect of a takeover of their Shuf Mountain strongholds by the Lebanese Army after the redeployment of Israeli forces to southern Lebanon. The Israeli shift, twice delayed at Washington's request, seemed imminent. Prime Minister Shafik al-Wazzan, who opposed the pullback, said yesterday was "a decisive day."

Aquino's Burial Rallies Dissent

Ten days after he was slain in still puzzling circumstances, Benigno S. Aquino Jr. was buried last week in Manila as a martyr in the struggle to end the rule of President Ferdinand E. Marcos. Mr. Marcos and his ministers were absent from the funeral but, perhaps as many as one million other people were present at the church service and along the 19-mile route to the cemetery.

"I think it is about time the Government listened to the people, who are voting with their feet at this funeral," said Ramon Magsaysay, son of a former president. Others, mostly young people in their 20's and 30's, "voted" by burning tires and candles, blowing car horns, or bearing banners declaring, "No reconciliation under the Marcos regime."

The 10½ hour procession was orderly until just after nightfall when several hundred students clashed with the police in the university area.



Policeman and demonstrator in Manila last week.

One student was totally shot and 18 people were wounded. The authorities denied the police had fired and blamed "radical" groups.

The police identified the man who shot Mr. Aquino just after he departed in Manila after three years of self-exile in the United States as Rolando Galman y Dawang, a "notorious killer" with a criminal record. On whose behalf he may have been acting remained a mystery for the public. In the absence of facts, suspicions continued to center on the Marcos Government or its more militant partisans and demands for the President's resignation were frequent.

Jaime Cardinal Sin, the country's Roman Catholic leader and a frequent critic of Mr. Marcos, told mourners in the church that Mr. Aquino's intention in returning was to seek reconciliation, not confrontation. "There is an atmosphere of repression and a climate of fear," the Cardinal said. "His death personified Filipino courage in the face of oppression."

In Washington, 45 members of Congress wrote to President Reagan urging him to cancel his November trip to Manila. They said the Marcos Government was not adequately investigating the murder.

Battling Again In Northern Chad

Hoping Libya would take a hint and abandon its support of armed insurrection in Chad, France sent 2,000 troops to Ndjamena last month and established a defensive "red line" across the country. But the lull was broken last week when heavy fighting erupted at the Government outpost of Oum Chalouba, north of the French line.

The Government said its troops had repulsed 3,000 Libyan-supported attackers, including Sudanese members of Col. Muammar el-Qaddafi's Islamic Legion. Insurgent spokesmen said French Jaguar warplanes attacked them, but France denied its forces were involved.

After a three-week suspension while French-American misunderstandings were adjusted, United States military transports were again landing in Ndjamena to continue a promised \$25 million weapons airlift. France sent in 15 helicopter gunships and promised more light armored vehicles and antitank rockets to counter Libya's buildup of 3,000 troops and Soviet-made armor.

The French and American hardware and French and Zairean troops were reinforcing President Hassan Habré while diplomatic efforts continued to restore Ndjamena's control over Chad's northern third. Libyan-backed rebels, billing themselves as the Chadian Government of National Unity, broadcast an offer to talk. "Sincere and definitive reconciliation is possible even with Hissène Habré if he shows good will," said rebel radio.

But the Habré Government again insisted it would negotiate only with Libya, "the true aggressor."

The Soviet Union supported Libya's contention that Mr. Habré, who ousted the insurgent leader, Goukouni Oueddei, as President last year, lacked legitimacy. Moscow's veto power blocked action in the United Nations Security Council, which, the frustrated American delegate contended, had thus demonstrated "its fundamental intransigence to the realities of international gangsterism."

Henry Ginziger
and Milt Freudenheim

A Correction

In an article on Col. Muammar el-Qaddafi of Libya in the Aug. 14 Week in Review, the whereabouts of Idi Amin, the ousted Ugandan leader, was incorrectly stated because of an editing error. He is in Saudi Arabia.

U.S. Is Too Busy with Lebanese Crisis to Think of Long Term

No New Hopes, Just an Old Peace Plan

By BERNARD GWERTZMAN

WASHINGTON — The hopes of progress toward a Middle East peace that President Reagan and his advisers held a year ago have faded. There is no longer any expectation of an early withdrawal of Israeli, Syrian and Palestinian forces from Lebanon or of a wider negotiation. Secretary of State George P. Shultz, who came to office last summer dedicated to pursuing with vigor a solution to the endemic Middle East issues, seemed a bit defensive at a news conference last week.

"The job is long and difficult, and requires patience and determination," he said. The irony was not lost on State Department officials, who remarked that a year ago, President Reagan was outlining sweeping ideas for settling such issues as the Palestinian problem and Israel's ultimate borders. His attention is now devoted to bringing about an end to the street fighting in Beirut, avoiding involvement of the marines there in a civil war, and figuring out Israel's conduct with Menachem Begin no longer in command. Many in Congress are questioning, in the light of the death of two marines last week, whether the United States should assume the role of mediator between ethnic and religious factions that have been at each other's throats for years.

There have been many miscalculations in the past year, notably the decision by Mr. Reagan to start his peace initiative before there had been a conclusion of the Lebanese crisis. His peace program—which ruled out Israeli sovereignty over the West Bank—immediately antagonized Mr. Begin and led to a period in which the Israelis openly tried to sabotage American efforts. Instead of pursuing a joint effort to achieve the priority goal of removing all foreign troops from Lebanon, the two Governments could not agree on anything for months.

"If we had held off on the initiative until we got

everybody out of Lebanon, we'd be in a much better position today," a senior State Department official said.

After their forces in Lebanon were savaged by the Israelis in the summer of 1982, the Syrians might have willingly left last fall. By the time the Americans and Israelis had patched up their relations this spring, it was too late. The Syrians, bolstered by large-scale Soviet military and political support, refused to move. The Israelis, who a year ago were unwilling to pull out except after elaborate political concessions, such as a peace treaty from Lebanon, today are in a seeming rush to leave. And the Americans, who wanted them out a year ago, are pleading with them not to start a partial withdrawal for fear it will unsettle Lebanon's politics even more.

No New Ideas

The Israeli disenchantment with Lebanon probably was a major factor in Mr. Begin's decision to resign. He, no less than the Reagan Administration, made serious mistakes in the past year. So did Yasir Arafat, the head of the Palestine Liberation Organization, who blew an opportunity to enter negotiations, and found himself discredited in his movement anyway.

The so-called moderate Arabs once again proved that they were still lacking in political determination. King Hussein of Jordan, King Fahd of Saudi Arabia and King Hassan II of Morocco all urged Mr. Reagan on and in the end did little to help him.

What then is ahead in the Middle East, as seen from Washington?

It is evident from talking to officials that except for keeping a lid on Lebanon, there are no new ideas. Mr. Shultz, in his news conference, said that the President's initiative of Sept. 1, 1982, "remains a major and creative contribution to the peace process and a workable basis for negotiation."

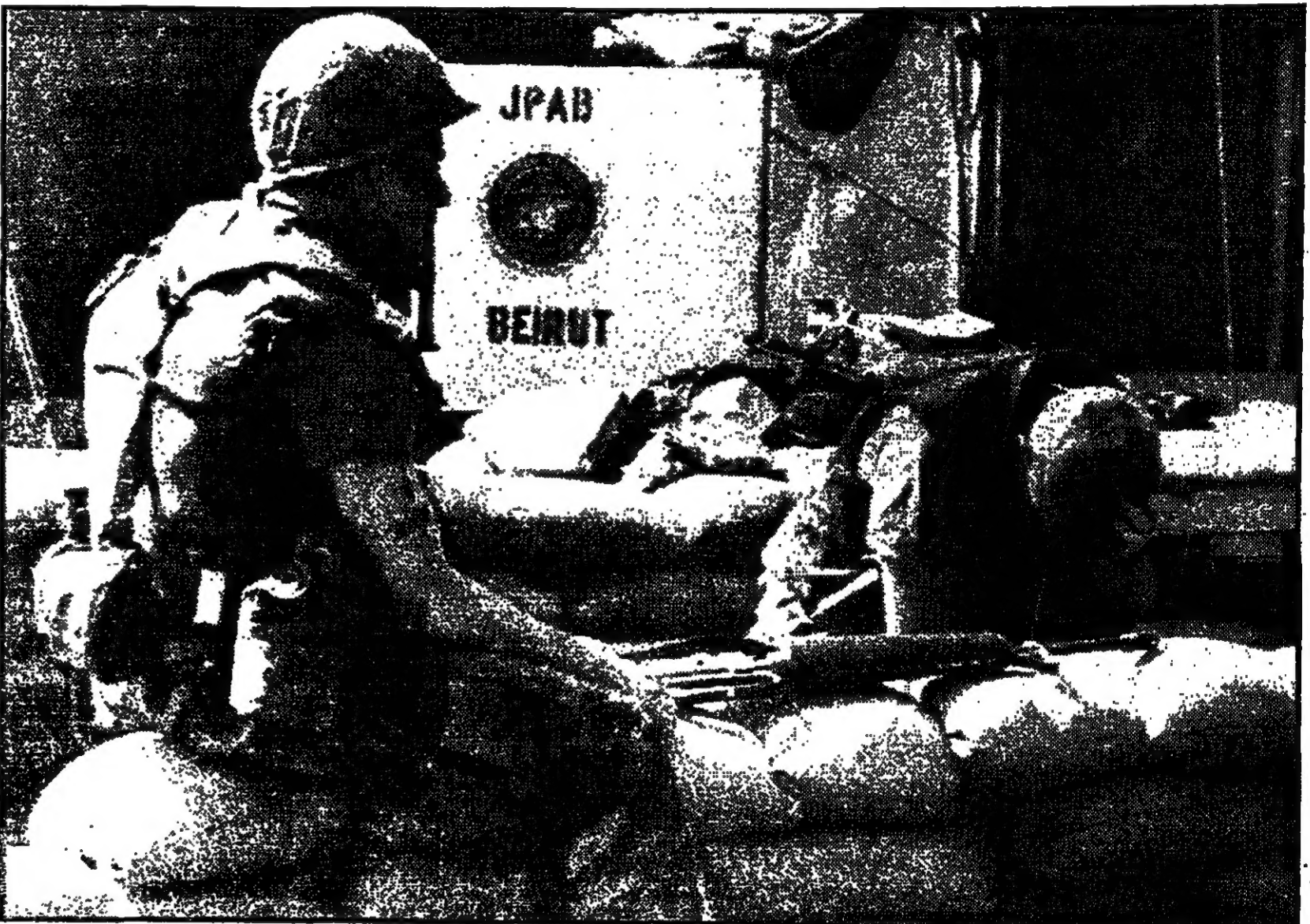
He seemed to be telling the Israelis and Arabs

that the American ideas were still on the table and that if they did not see the wisdom in them, it was their problem. But no plan for the Middle East can be cast in concrete. Last year's initiative was keyed to the successful Israeli destruction of the P.L.O. armed forces in Beirut, just as the Rogers plan of 1969 was geared to the aftermath of the 1967 war. They have limited shelf lives. A new approach is needed, but with the American Presidential campaigning already under way, it is unlikely that the Reagan Administration will involve itself in a fresh plan.

Even if it did, the view here is that the political situation in Israel will not provide fertile soil for anything that would raise questions about Israel's right to settle the West Bank or to deal with the Palestinians. Yitzhak Shamir, who is due to replace Mr. Begin, is regarded here as friendly to the United States but unoriginal and cautious. He shares Mr. Begin's hard line but lacks his political power and sense of history, which allowed Mr. Begin to take such dramatic steps as the Camp David accord with Egypt. Besides, Mr. Shamir seems likely to be so involved in political infighting in Israel that his interest or ability to do something different will be circumscribed. Nothing is likely to happen, officials here believe, until there are new elections in Israel.

Therefore, the United States will have to focus in the coming months on putting the pieces together in Lebanon. For any success, the Americans will have to remain in touch with all the Arabs, and in particular with the Syrians, who have overriding influence on the Moslem radicals. But the Administration seems divided on dealing with the Syrians.

The White House, which sees the Syrians as an extension of the Soviet Union, finds it hard to avoid blasting Damascus at every turn. The State Department, which views President Hafez al-Assad as no one's puppet, is looking for ways to entice him into a deal. Like every other Middle East issue, it won't be easy.



Marines reacting to news of the death of two colleagues in Beirut last week.

Officials and Rebels, in First Meeting, Debate What Kind of Elections

In Salvador, Battlefield Is Still the Common Ground

By LYDIA CHAVEZ

SAN JOSE, Costa Rica — For all the flurry, the meetings last week between the Salvadoran leftist rebels and the American and Salvadoran Governments seemed to produce little more than inconclusive skirmishing.

In Bogotá, for the first time in three years, Salvadoran officials faced insurgents from their own country, one of whom had recently fled to Mexico after being released from a Salvadoran jail. The following day in San José, Richard B. Stone, the Reagan Administration's special envoy to Central America, talked for three hours with four Salvadoran leftist leaders.

The meetings made for interesting pictures, but the participants' statements afterward indicated they had found little common ground or readiness to compromise. The Salvadoran Government has authorized its Peace Commission to discuss only the left's participation in presidential elections, which are tentatively set for some time in the first three months of next year. The Salvadoran left has flatly rejected any interest in these elections. They want to be incorporated in a provisional government that would then oversee elections for mayors as well as deputies to the 60-member Constituent Assembly.

American and Salvadoran officials skeptical of the whole process believe that the negotiating activity is merely a propaganda play for all sides. As long as meetings are being held, the Reagan Administration and the Salvadoran Government can demonstrate to Congress that they are trying to reach a political settlement. The Salvadoran left also gets the benefit of appearing conciliatory, as well as some publicity in its own country.

The war, however, continues. At the end of last week, each side blamed the other for stepping up military activity in a war that has already cost the country 40,000 lives and close to \$1 billion in economic damage.

"We don't want any more killings," Francisco Quinonez, a member of the Peace Commission, said after his meeting with the left. "Unfortunately the guerrillas turn around and in a very open way say they are going to start a new offensive. So there you are. Here we are trying to talk about peace and the Democratic Revolutionary Front doesn't want to talk about peace."

The guerrilla leaders said that by continuing the armed fight, they were merely reacting to increased American military aid, and the enlarged role of American advisers in El Salvador. "We have not wanted to prolong the war," Guillermo Ungo, a revolutionary front leader, said. He charged that continued fighting seemed to be the will of the American and Salvadoran Governments. The front is the political arm of the Farabundo Martí National Liberation Front, which represents five guerrilla groups.

The U.S. Role

The sticking points in the meetings not only involve what to talk about, but how to talk about it. Although the meetings have been billed as having "open agendas," participants on both sides said they essentially state their positions with little give and take.

In addition, the Salvadoran left still insists that the United States be a participant in any negotiations. Both the United States and the Salvadoran Government maintain that only the Peace Commission has the authority to bargain for the Salvadoran Government. So far, Mr. Stone's public

role has been to encourage the Salvadoran Peace Commission and the left to hold discussions. Indeed, Mr. Quinonez said that the special envoy "had just about completed" his mission regarding El Salvador.

Where do the parties go from here? The Peace Commission said that it was ready to meet again with the Salvadoran leftists, but Mr. Quinonez said that the two parties could not even agree on how to make their pre-meeting contacts more direct. He blamed the guerrillas left for this procedural standoff, but still seemed to believe there would be a second meeting.

The American delegation said only that they had agreed to "maintain communications" with the left, but no date has been set for a future meeting. The Salvadoran left, however, is free to make a direct call to Mr. Stone at any time, according to one of the participants.

If the parties ever sit down to more substantive talks, the date and type of elections may be the only subject on which they could possibly reach agreement. The leftists have stated that they would not participate in the upcoming elections for security reasons, but some have acknowledged privately that they could not win a presidential race. They could, however, probably gain some representation if they participated in mayoral and parliamentary elections.

Even if general elections were held next year, the left would probably not participate because the early date does not allow them to rebuild a political structure, which was lost when they moved to the countryside, according to a leftist leader who lives in San José. The Government has already delayed the elections once, he said; why not delay them again?

Even with a further delay, most political analysts are doubtful that the left would participate. They believe that the left is more divided than it appears on whether to proceed with negotiations and elections or to seek a military victory. Perhaps the most telling remark came from Mr. Quinonez. "At the first meeting we didn't expect more than we got," he said flatly. Some Salvadoran and American officials are already asking if, indeed, there is anything more to gain from the talks as they are now structured.

مكتبة من الأصول

Europe Faces 'Hot Autumn' Of Hostility To Missiles

By R.W. APPLE Jr.

LONDON — For Western Europe, summer ended last week with the kind of traffic jams and chaotic airports that the United States will experience today and tomorrow. Among other things, the advent of fall marks the beginning of a politically testing season.

First and foremost, it is to be the season of the missiles. Unless, by some miracle, American negotiators can wrest a last-minute agreement from the Soviet Union at Geneva, the next few months — the exact dates have not been made public — will see the deployment of United States cruise missiles in West Germany and in Britain. The consequences are hard for anyone to calculate.

Chancellor Helmut Kohl disparages predictions of a "hot autumn" in West Germany, but he is all but alone in doing so; the general expectation in Bonn is that he will spend much of his time in the weeks to come dealing with a campaign of hunger strikes, protest marches and attempted blockades of NATO bases. The antinuclear movement gave a preview last week with a peaceful demonstration that featured Heinrich Böll, the Nobel Prize-winning novelist, some members of Parliament and about 1,000 other people outside the gates of a United States Army base in Mutlangen where Pershing 2's are due to be installed. Base officials refrained from calling in the police, which helped keep things quiet.

What Mr. Kohl must try to avoid, his aides say, is the creation of a martyr or the involvement of American soldiers in a violent incident, either of which could convince the German public that the missiles are more of a threat than the Soviet threat they are meant to neutralize.

Most of all, the West German Government wants to avoid giving a pretext for another surge of radicalism and terrorism like that of the late 1970's. The anarchists have already demonstrated their intentions to capitalize on the missile controversy with a series of bombings at American bases and the disruption of Vice President Bush's visit to Krefeld last spring.

In Britain, Prime Minister Margaret Thatcher will also have to cope with antimissile demonstrations. Her position is considerably stronger; less than three months ago, her pro-missile Tories trounced the Labor Party, which had promised to cancel the deployment of the missiles. Her hold on Parliament is solid, and she has no coalition partner like the bumptious Franz Josef Strauss of Bavaria, who conducts regular political guerrilla raids against Mr. Kohl. Nor is the British peace movement as strong as those in West Germany and in neighboring Holland.

It will be vulnerable to the anti-Soviet backlash from last week's shooting down of a South Korean airliner. Nonetheless, Mrs. Thatcher, too, will have to guard against an incident that would bring into the open the often unstated but pervasive hostility toward President Reagan among British voters.

The fall in Britain will be marked by the domestic event of the fall in Britain will be the resignation of a new leader of the opposition Labor Party at the party conference in Brighton at the beginning of next month. It appears almost certain that Neil Kinnock, a glib, red-haired Welsh left-winger, who has never held Cabinet office, will defeat his two more moderate opponents, Roy Hattersley and Peter Shore. So attention is turning to the fight for the deputy leadership between Mr. Hattersley and Michael Meacher, an even less experienced left-winger. Labor's status as the main party of opposition is precarious after its humiliating defeat this summer; a further lurch to the left, which is what a Kinnock-Meacher team would mean, might well convince the British public to turn to the Liberal-Social Democratic Alliance as the principal alternative to the Conservatives.

Mrs. Thatcher, Mr. Kohl and President François Mitterrand of France (who has no American missiles to worry about, although he supports the cruise program) all face continuing economic difficulties. Mr. Mitterrand, the only Socialist in the trio, must confront the worst problems, including the possibility of further demonstrations like those of last spring by students, police, doctors and others against Government policies.

In response to high interest rates and a large trade deficit, Mr. Mitterrand instituted an austerity program designed to cut people's standard of living. The result, so far, gives the Government some cause for optimism. The latest statistics, released early last month, show a marked decline in the trade deficit, a slight decline in inflation (from 9.7 to 9.3 percent), and no increase in unemployment. But the shopkeepers and others are restive about increased taxes, and there appears to be no chance of delaying a surge in the jobless figures.

The key to whether there will be trouble in the streets would appear to lie with the huge Communist-led trade union, the Confédération Générale du Travail. The Communist Party has been relatively quiet so far because it wants to retain its place in the Government, but it cannot afford to seem tame to its militant working-class backers, especially in the face of major layoffs in nationalized industries. Ultimately, the union may decide on the basis of Mr. Mitterrand's success with the economy. If things seem to be improving, the unionists will probably let low Socialist-led Governments in Spain and Italy also will face tough problems this fall with high unemployment and inflation.

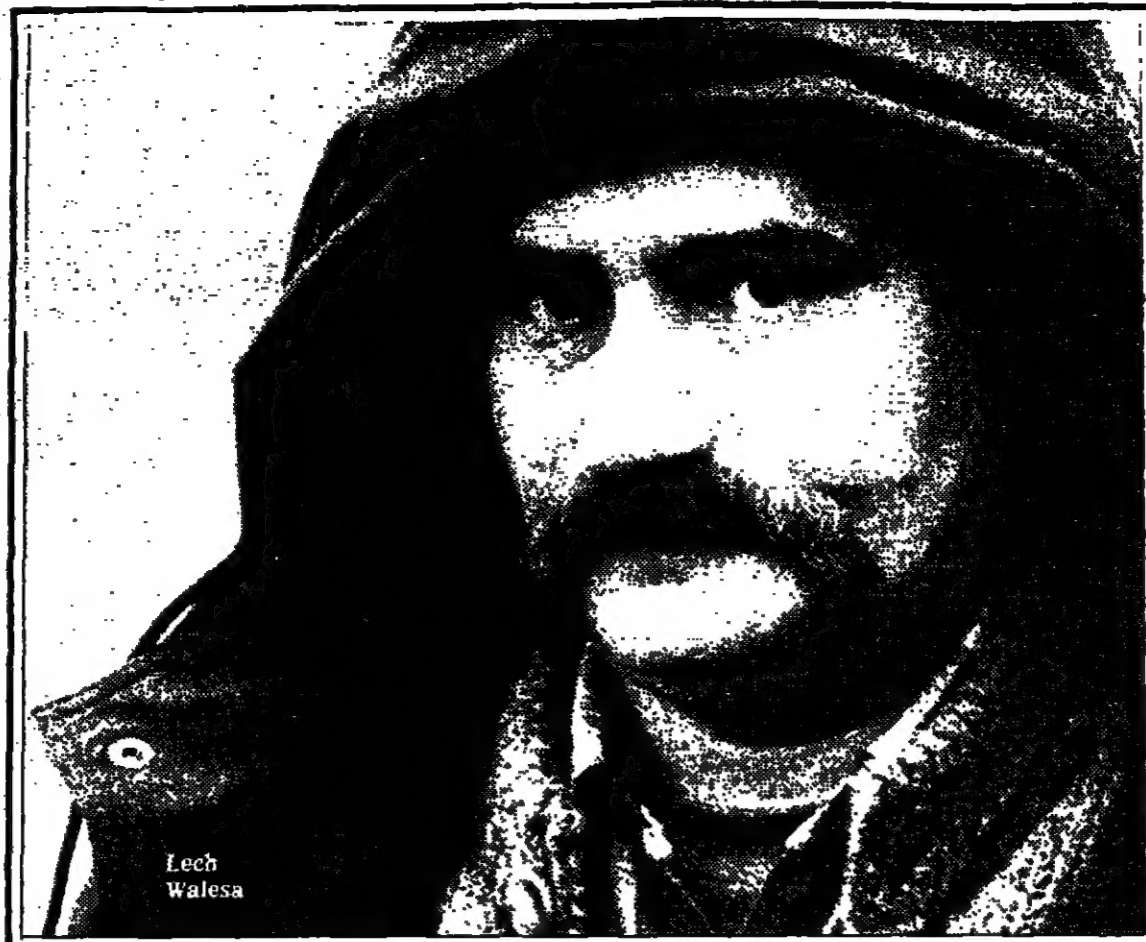
Like France, Britain is continuing to suffer from high American interest rates and a strong dollar. A modest recovery that helped Mrs. Thatcher to win in June now shows signs of petering out; fear of just such a development was a key reason in her decision to go to the country early. Unemployment, already at a record level well above three million, is widely expected to reach four million before starting to fall. But there is no threat of trouble in the streets or of any concerted action from the disoriented and divided opposition.

In West Germany, the economic picture is a good deal brighter, with both the balance of payments and inflation under control. But the underlying trend of unemployment, now at 8 percent, is still upward, and there is no sign of a surge in export orders, traditionally the trigger of economic recovery for the Germans. At the moment, Bonn's best customers are broke.

Meanwhile, the three big countries and their Common Market partners are trying to reach agreement on some means of putting that organization's finances, strained to the breaking point by mushrooming agricultural subsidies, back on a firm footing. That may be the toughest chore of all for Mrs. Thatcher, Mr. Kohl and Mr. Mitterrand in the months that lie ahead.



Thousands of Poles Demonstrated to Keep Solidarity Alive Last Week



For Walesa, Some Cheers And An Uncheerful Future

By JOHN KIFNER

WARSAW — Striding toward the Gdansk shipyard last week, a big bundle of flowers in his arms and a chanting, cheering crowd at his back, Lech Walesa looked like a leader again, at least for a moment. It was the third anniversary of the Aug. 31 signing of an agreement with shipyard strikers that gave birth to Solidarity, the first and last independent trade union in the Soviet bloc. The Polish authorities saturated the streets of Gdansk, Warsaw, Nowa Huta, Wroclaw and other major cities with riot police to snuff out any dissent left after more than 18 months of military rule. Nevertheless, tens of thousands managed to demonstrate support for the outlawed Solidarity — some by battling with the police, many by going to special masses in Roman Catholic churches. In the process, they restored some of Mr. Walesa's luster. "Lechu, Lechu," shouted the jubilant crowds that

managed to rally around St. Bridget's Church in Gdansk, using the familiar form of his name. Crowds in other cities also chanted the name of the man authorities had scorned as "the former head of the former union."

It has been a difficult time for Mr. Walesa and the movement he symbolizes. The Government, even as it announced the lifting of martial law in July, kept sweeping powers to control the streets and factories; it has shown little reluctance to use them. The beleaguered underground has yet to come up with effective tactics. Mr. Walesa has seemed vacillating and uncertain, even worrying in public about going to jail.

But then help arrived from an unlikely source — the Government. As Aug. 31 approached, the authorities, who had been studiously ignoring the union leader, launched a concerted attack on him. Daily, it presented purported interviews on television and in the official newspapers, with workers who said they were tired of disturbances and insinuated Mr. Walesa was living high

on American dollars. Given the mood in Poland, the criticism could only revive Mr. Walesa's credibility.

The campaign became even more curious when Deputy Premier Mieczyslaw Rakowski visited the Gdansk shipyard, where he was heckled and jeered and workers carried Mr. Walesa on their shoulders to an impromptu rally. The first television accounts of the meeting made no mention of the confrontation; the sound was cut out during the catcalls. But then the Government apparently decided that Mr. Rakowski had, in the words of spokesman Jerzy Urban, "won a glorious political victory." Somewhat abridged texts appeared in weekend newspapers and were broadcast over the radio. On Monday, two days before the anniversary, state television offered a three-hour special on the meeting, sending electricity consumption surging.

Some observers found the decision baffling. Mr. Walesa appeared for 10 minutes, unyielding but conciliatory. Appealing for compromise, he said both Solidarity and the Government had made mistakes. "Instead of understanding us, you insult us, dissolve everything and send tanks and batons against us," he said. Mr. Rakowski, in increasingly rumpled shirtsleeves, took up the rest of the program, telling the workers, "There is no return to Solidarity." At times, he appeared to harangue them. "You would be pursuing cows, were it not for socialism," he said. According to the Government press agency, the encounter showed that Mr. Walesa's supporters were "blusters" and people of "low culture." Mr. Urban berated the resident Western press corps for its accounts of the meeting.

Centering on the Churches

Last week's demonstrations were on a smaller scale than a year ago. The biggest was in the tough steel mill town of Nowa Huta where 10,000 people tried to march to the main church of Mary, Queen of Poland, and street fighting lasted into the evening — rocks versus tear gas and water cannons. There were clashes in Wroclaw and demonstrations in Warsaw and other cities. Significantly, much of the activity centered on churches, which are increasingly becoming a refuge of opposition. Poland's bishops have sternly accused the Government of failing to use the Pope's June visit to achieve reconciliation. They criticized the "restrictive" regulations that replaced martial law and insisted the "just aspirations" of workers and intellectuals must be met.

In Gdansk, the events revolved around the symbol of placing flowers at the towering monument of three crosses erected by Solidarity to commemorate workers shot during food-price protests in 1970. It stands as a constant reproach to the authorities. In the morning, a stiff group of Communist officials placed a wreath, were photographed for prominent display on the evening news and in morning papers and quickly left. Then riot police stopped anyone carrying flowers in the neighborhood of the shipyard gates. They ordered a florist stall to stay shut until after 4 P.M.

Then Mr. Walesa appeared with his flowers and his followers. They jammed the street in a tense confrontation with the helmeted riot police. The commander allowed only Mr. Walesa to go through to place his wreath, implicitly recognizing that for what the Government calls a "private person," he is still a very special one.

But, whatever the moment of personal and political triumph for Mr. Walesa, Solidarity's essential dilemma remained unchanged. The Government will not permit the rebirth of an independent union — ultimately its Soviet allies will not allow it — and there seems little room for maneuver to counter overwhelming state power. The sullen stalemate will continue.

Despite 34 deaths, Chile's Fifth Straight Monthly Protest Is Due This Week

Can Pinochet Fight Off A Mounting Opposition?

By EDWARD SCHUMACHER

BUENOS AIRES — Ten years ago next Sunday, Gen. Augusto Pinochet led the coup in which the elected President of Chile, the Marxist Salvador Allende, died. This week, the Government is planning celebrations but they are shadowed by questions as to how much longer the regime can survive. Two years of economic depression have brought popular discontent and demands for General Pinochet's resignation. At least 34 people have been killed in four nationwide protests called by opposition political and labor leaders over the last four months. The fifth protest is planned for Thursday. And late last month, terrorists assassinated Carol Urzua, a retired major general who was chief administrator of Santiago, the capital. He was the highest-ranking official killed since the coup.

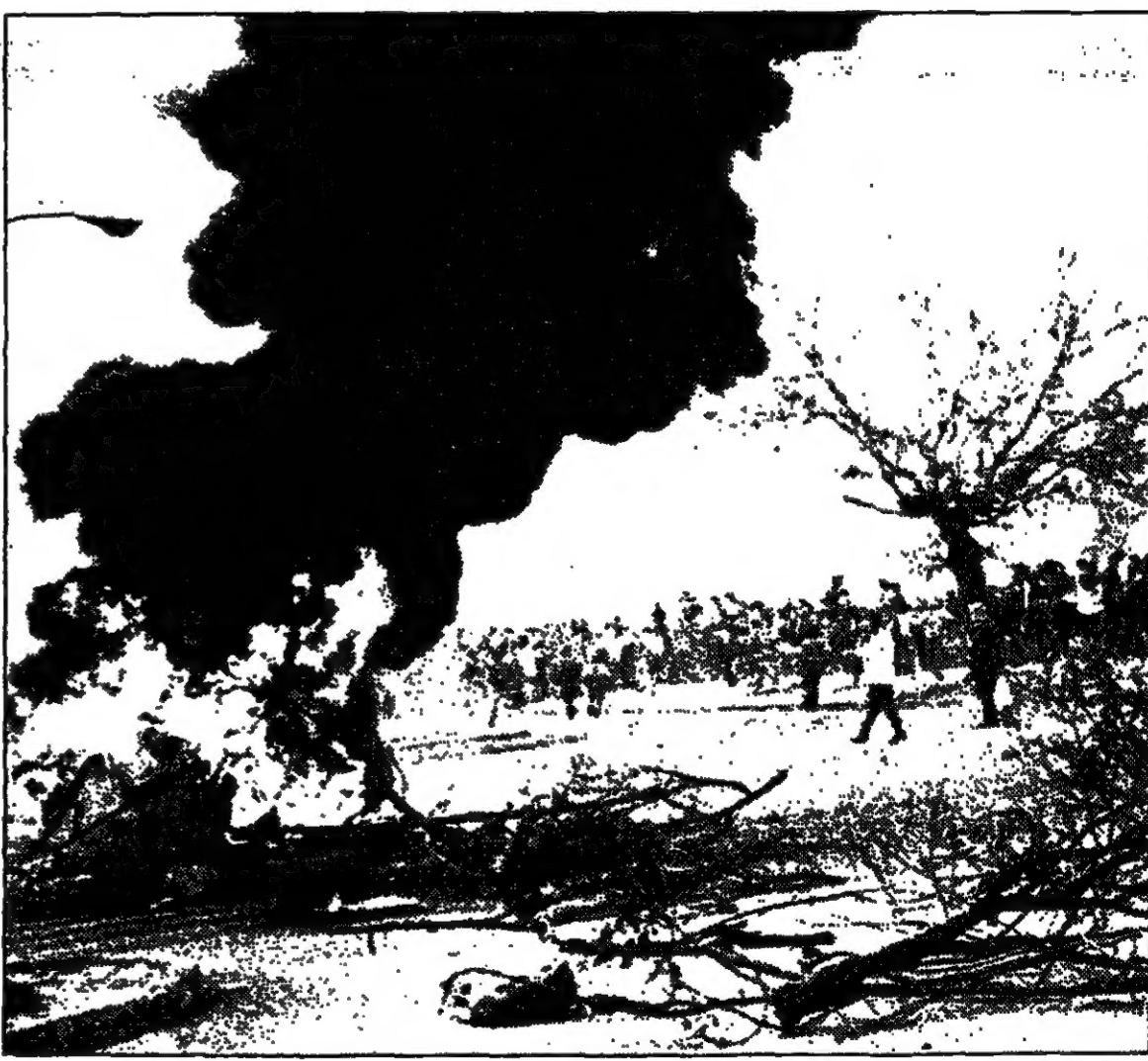
During last month's day of protest, General Pinochet tried cracking down, sending 18,000 army troops into the streets of Santiago to curb demonstrators. But the tough tactics backfired. The resulting melee of wild shooting led to 24 deaths, increasing opposition resolve and drawing international criticism, notably from the normally friendly Reagan Administration. Perhaps equally important, the violence upset foreign bankers and creditors.

General Pinochet is now trying a softer approach. His new Interior Minister, Enrique Jarpa Reyes, has begun the regime's first dialogue with the opposition in a decade and has offered the beginnings of a transition to democracy. He also promised to legalize political parties next year and to hold Congressional elections well before the scheduled date of 1990. Last week, Mr. Jarpa ended the state of emergency, withdrawing curfew and censorship powers held by local military commanders.

Economy Is the Key

But General Pinochet, in a rare breakfast meeting with foreign correspondents last week, made clear he intends to rule until at least 1988, as stipulated in a Constitution approved in a 1980 plebiscite. "The citizenry gave me a mission," he said, "and when a soldier receives a mission, he completes it." Showing his antipathy to a transition to democracy, he backtracked on Mr. Jarpa's promises. Moving up Congressional elections, General Pinochet said, was only a "possibility" and the date might still be as late as 1988 or 1989. The protests "signify nothing," he contended, because it was unclear how many people were protesting. The general is known to fear that once the transition begins, he may not be able to control it. He is playing for time, his advisers say.

"What is basic is economic recovery," Mr. Jarpa said while on a visit to Buenos Aires last week. "If we are capable of solving the most critical problems — especially unemployment — in the near future, we will fully



A bonfire set during anti-Government demonstrations in Santiago, Chile this summer.

recover the support the Government once had."

The economy has not been cooperating. Unemployment has dropped slowly over the last six months but it is still high — almost 20 percent in Santiago, according to the Government. After an astounding 14 percent drop in the gross national product last year, the Government projected slight growth this year, led by increased exports. But official figures last week showed the growth in exports had not materialized. Many foreign and Chilean economists expect the economy to shrink a further 3 percent to 5 percent.

Even if the economy improves, it appears unlikely the discontent will disappear. For the first 18 months of the depression, opposition criticism was focused on the Government's economic team. General Pinochet maintained his popularity as the man who had brought stability to Chile. But many Chileans are now turning against him as they face the fact that they have no voice in economic policy because they do not have democracy.

The Democratic Alliance, a coalition of five centrist political parties led by Christian Democrats, has called on General Pinochet to resign. It proposes to put a transition Government in charge for 18 months. At the same time, a constituent assembly would be chosen to draft a Constitution. The parties do not demand immediate elec-

tions because they are in no condition to run or rule. After 10 years of being banned, they feel they need to organize.

The Christian Democrats, the largest party, are divided. Former Foreign Minister Gabriel Valdes is the party president, but Jorge Lavandero, a Young Turk, has been outspoken and has even met separately with Mr. Jarpa. However, Mr. Lavandero, under pressure from his seniors, canceled a rally last week which the Government had approved, indicating that the Christian Democrats may be closing ranks.

During the 1980 plebiscite, the Government set limits on opposition campaigning. However, General Pinochet's immediate survival has less to do with the opposition than with his own forces, the military. Chile's military is proud and highly professional, noted for its lack of corruption and Prussian-like loyalty to the chain of command. Even today, after 10 years of rule by the General, it stays mostly out of politics.

The military has historically enjoyed patriotic respect among Chileans. But many officers are concerned that the current discontent may be tainting them as well. There are no signs that the military is ready to remove their commander. But they are surely listening to the opposition's offers to allow them to select the transition Government.

BROADWAY 80

WARNING — The Ministry of Health has determined that smoking is harmful to health.



I'm glad I changed.

The Nation

The Economy Cools Down To a Simmer

When is a slower economy more cause for cheer than concern? The answer was evident in the reaction to last week's report of a fractional increase in the index of leading indicators for July. The time is now.

That is because for weeks private economists publicly, Administration officials privately and the financial markets in their ups and downs have been worrying that the robust pace of the recovery was threatening a

new inflationary cycle which the Federal Reserve might try to head off with slump-inducing tighter money.

"I felt easier when I saw that," Geoffrey H. Moore, director of the Center for International Business Research, said of the three-tenths of 1 percent increase in the Commerce Department's gauge of economic performance. "July's modest rise in the leading index is an early indication that the economic rebound of the second quarter will taper to a more sustainable pace," said the Commerce Secretary, Malcolm Baldrige. And the Dow Jones industrial average lifted 20.16 points, after days of desultory activity.



Geoffrey H. Moore

Mr. Moore, however, added a caution. "I don't think," he said, "that's evidence enough of a slowdown." The index's 11 measures, ranging

from manufacturing to employment and prices, gauge future trends, so the composite is considered more reliable when read three months at a time. In June, it rose 1.9 percent; in May, 1.2 percent and July could be just a blip after a quarter in which the gross national product showed the fastest growth in five years.

Economists also took cheer in another report that almost everyone else finds depressing. The nation's unemployment rate edged up one-tenth of 1 percent last month, to 9.4 percent, for the first increase since December. Because it followed an unusually large half-point decline in July and because employment hit a record 103.2 million, the August rise was not considered economically significant.

Jerry J. Jasinowski, chief economist of the National Association of Manufacturers, called "the stabilization of a normal development at this time of year" that "should not be misinterpreted." The American Federation of Labor-Congress of Industrial Unions did not disagree with the last part of that analysis. The labor banner on the front of its Washington headquarters noted that for the one in 10 Americans still jobless "there is no recovery." (Working over Medicare, page 6.)

Chicago Averts Layoffs for Now

After yet another trip to the brink, Mayor Harold Washington of Chicago and the City Council made yet another compromise last week.

Mr. Washington had announced that, because of a \$100 million deficit inherited from Jane M. Byrne, 2,050 city employees — including police officers, firefighters and sanitation workers — would have to be laid off. That is, unless the Council, which his political enemies control, agreed to rescind a \$22 million real estate tax cut passed last year in a burst of pre-election largesse.

The council voted, 45 to 2, to take back \$11.9 million of the cut. Edward Burke, a leader of the majority aldermen, said opposition to higher property taxes was dropped in the interest of public safety. "No reasonable person ever suspected that any mayor of Chicago would cut out 978 positions in the Police and Fire Departments," Mr. Burke said. "Our feeling is that we can't allow this to take place."

With the adoption of the compromise, which budget director David F. Schulz called "a very positive sign," the Mayor put the pink slips away for the moment. But a spokesman said a broad review of the City Hall payroll was under way that could result in as many as 900 layoffs before the end of September.

The vote might or not help the city's credit rating. Early in the week, comptroller-designate Walter Knorr told the City Council's finance committee that a bond-rating firm, the Standard & Poor Corporation, had decided to reduce its rating of the city's water bonds to "A" from "AA."

In another bit of unfinished political business, 29 election judges and three part-time election canvassers were indicted by a Cook County grand jury on perjury and official misconduct charges stemming from February's mayoral primary. The indictments cited such wrongdoing as the false certification of voters who lived at non-existent addresses, such as parking lots.

And a School Strike

A teachers union in Chicago voted last week to report to classrooms this month, but a strike later in the new term remained a possibility.

The 27,000-member union's House of Delegates voted to begin classes on schedule this Wednesday, union president Robert Healey said. He disclosed that the delegates had scheduled a strike vote for Sept. 15, however, if a tentative contract had not been agreed to by then.

If the union struck, its members would walk out Oct. 3. Negotiators are said to have bogged down over such matters as wages and a complex formula for seniority. "We're

still optimistic this will be settled," Schools Superintendent Ruth Love said.

Elsewhere, more than 67,000 students were affected by teachers strikes in Michigan and Illinois. In California, the San Jose Unified School District was given authority to roll back teachers' salaries to 1981-82 levels by a judge who declared that the system was bankrupt. The ruling allows the district — which said it was \$1.7 million in debt from last year and expected to close out 1983 with another \$6 million in debts — to nullify its contracts with 2,800 school system employees.

Is Living Well The Best Tip-Off?

The Federal Government is about to launch a test attack on high rollers who don't file tax returns.

Drawing on data compiled by private marketing companies, The New York Times reported last week, the Internal Revenue Service will feed into its computers such information as where Americans live and what kinds of cars they drive and then compare individuals' life styles with their tax records. If the test pays off, the I.R.S. intends to broaden its net to include those who underpay.

The first stage of the experiment, to be conducted in six of the agency's 60 districts, is expected to begin within a few months and continue for at least a year and a half. The Government says there's little doubt such a test is justified. Between 1973 and 1981, according to the I.R.S., the annual drain on the Treasury caused by nonfilers increased from about \$1 billion to nearly \$3 billion and on 1981 corporations and individuals underpaid their taxes by more than \$81 billion.

The experiment will be "no big deal," insists Walter E. Bergman, the service's deputy assistant commissioner for planning, finance and research. "The idea is, we'll take a list of individual households and their estimated income and match it against a computerized list of all taxpayers," he said. "If the check suggests a family hasn't paid, we'll make an inquiry and find out why."

Other analysts took a less casual view.

"The I.R.S. experiment is very troublesome," said Robert Ellis Smith, the publisher of Privacy Journal. "While I am quite sure it does not violate the law, it graphically demonstrates the growing links between Government and private computers. National lists of households and their incomes obviously are sufficiently accurate for soliciting business, but that doesn't mean they are precise enough to trigger investigations."

Michael Wright

and Caroline Rand Harris
with the assistance of John Mott
and Steve Korman of the
New York Times

Mondale's Southern Exposure, and Glenn's Primary Concern

WALTER F. Mondale's campaign advisers appear to have concluded that among many voters, and especially those in the South, Jimmy Carter's time in the White House may be remembered as not all that bad after all.

So last week the former Vice President, who in his pursuit of the Democratic Party's nomination almost never mentions his Carter connection, made his way to a hard-to-get-to log cabin on a mountain top in northern Georgia for an audience with his old boss. For his troubles, Mr. Mondale, who was shown in a recent poll to be trailing Senator John Glenn of Ohio in the region, was endorsed by Mr. Carter as a fiscal conservative and a steadfast believer in a strong military — in short a man many card-carrying Southerners should feel comfortable with.

Mr. Mondale has, on other occasions, insisted that he had any number of differences with Mr. Carter, including the Soviet grain embargo in 1980, but Mr. Carter recalled him as the most loyal of number-two's. He also seemed to give Mr. Mondale a license, whenever it would help, to distance himself. "I think it is obvious," Mr. Carter said, "that no candidate who hopes to be President of the United States could permit himself or herself to be stigmatized by



Walter F. Mondale meeting with Jimmy Carter in Ellijay, Ga. last week.

subservience to the policies of someone else."

Senator Glenn, for his part, waved a caution flag at organized labor. Citing his strength in the public opinion polls' hypothetical matchups with President Reagan, Mr. Glenn in-

sisted in an interview with The Washington Post that leaders of the A.F.L.-C.I.O. would be making a mistake if they endorse Mr. Mondale, as they are expected to do early next month. "The objective that is going to benefit their membership is

going to be who can replace Reagan in the White House," he said. As if on cue, a new Gallup Poll shows Mr. Glenn running ahead of Mr. Reagan by 6 percentage points in a two-way race. The poll shows Mr. Mondale in a statistical tie with the President but ahead of Mr. Glenn by 16 percentage points in the race for the Democratic nomination.

Meanwhile, the Democratic Party's chances of regaining control of the Senate next year, and perhaps the fate of some Administration defense proposals, may be affected by the death last week of Senator Henry M. Jackson, Democrat of Washington. Mr. Jackson, who was 71 years old, died of a massive heart attack, doctors said, in Everett, Wash. Because the Governor of Washington is a Republican, Mr. Jackson's Senate seat will be presumably lost to the Democratic Party, at least until the replacement faces the voters in the next general election. Mr. Jackson, who unsuccessfully sought his party's Presidential nomination in 1972 and 1976, was a senior member of the Armed Services Committee who by and large almost always supported increased military spending. The chairman of the panel, Texas Republican John Tower, announced last month that he would not seek re-election next year.

Economic Influences on Voting Patterns Are Clear but Not Necessarily Simple

The Biggest Issue for 1984 May Have Already Been Identified

By ADAM CLYMER

When politicians in Washington sit around and talk about the 1984 election, they try to guess what the economy will be like, and what it will seem like, in the fall of that year.

Some see reduced inflation as a Republican ace. News like last week's, that the recovery was slowing, perks up other ears. Still others mutter that deficits will be blamed on the President and that when they drive up interest rates and slow car and house sales, his party will suffer. Nobody but Donald T. Regan, the Treasury Secretary, talks as if he is certain about what is coming, and some Republican critics think his optimism recalls that of Andrew Mellon just before the Depression.

What they think will happen matters relatively little. Why should politicians' dim guesses be accorded more weight than economists' dim guesses? But the fact that this concern is dominant matters a lot.

Of course, all kinds of things swing elections — a candidate driving drunk into a tree, another candidate getting mixed up about whether Russia rules Poland, an incumbent's personality, a challenger's money. But most of the time it is the economy that matters most of all, and most American elections seem to be imperfect referendums on the economy.

Other issues play a part, certainly. In 1980, for example, the Carter campaign pressed as hard as it could on the argument that Ronald Reagan was the sort of man who might get the country into a war.

It never really worked.

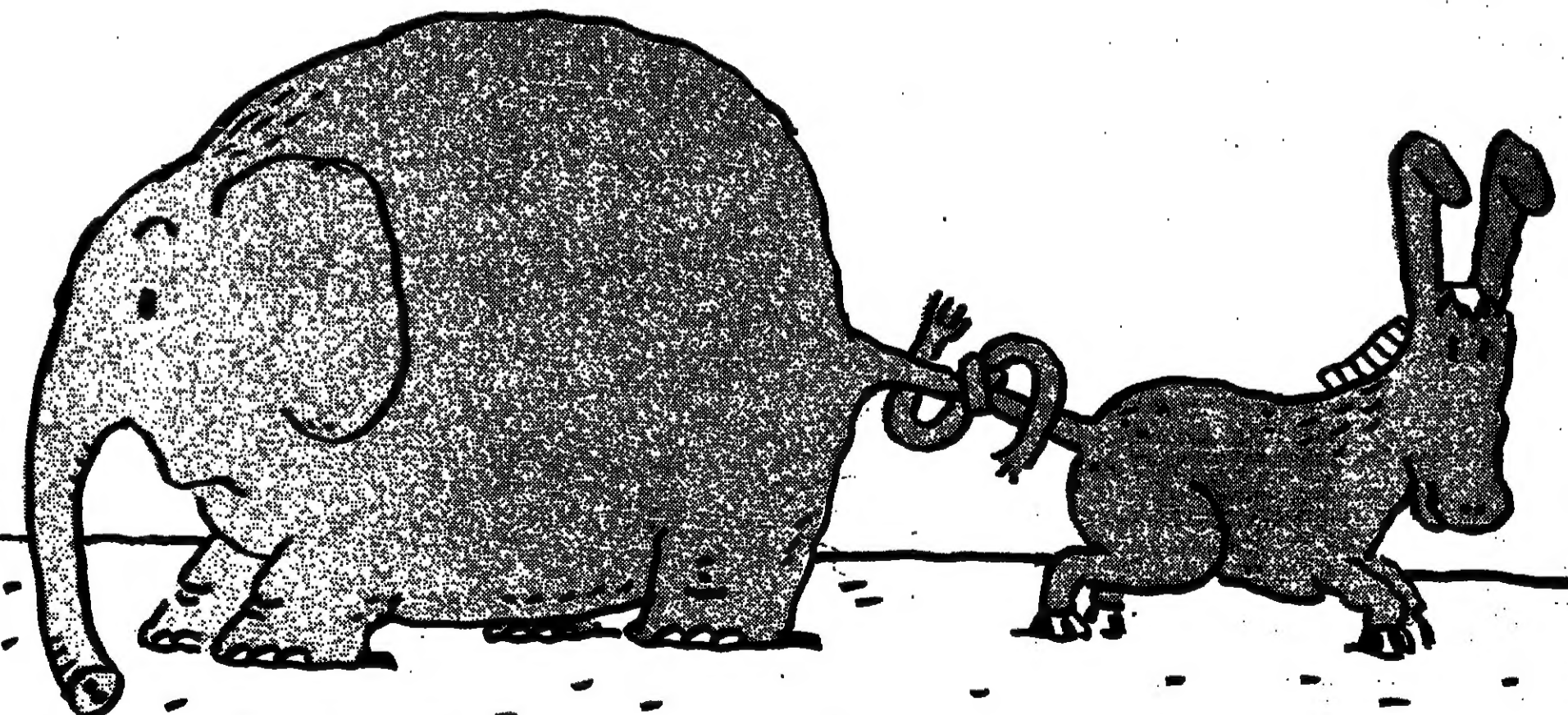
An economy featuring double-digit inflation, record interest rates, near-record deficits, record losses for an American corporation (Ford Motor Company) and, for a change, a recession under the Democrats mattered more. The point was made in what some judge to be the best political television commercial of all time, a spot with a Baltimore steelworker asking "If the Democrats are good for working people, how come so many people aren't working?"

Saved by the Dollar

Throughout the fall of 1980, New York Times/CBS News Polls showed that people's expectations about whether Ronald Reagan or President Carter would be good for the economy mattered more than their fears that one or the other was trigger-happy. On Election Day itself, while two Reagan voters in five cited "It Is Time for a Change" as their main reason for voting for the challenger, it was clear from their other answers that the change they wanted was a change in the economy.

The economy was, if anything, even more dominant in the 1982 Congressional elections. No other issue approached it, and both sides cheerfully fought the contest on economic questions. So why didn't double-digit unemployment do to the Republicans what double-digit inflation had done to the Democrats?

Federal Election Commission reports suggest very strongly that what saved the Republicans from a landslide defeat was their money and organization, especially the ability to funnel last-minute money into races where it mattered. The reports indicated that in the final weeks, after unemployment topped 10 percent, Republican money came to the rescue. In 80 marginal House races, where the winner got 50 to 55 percent of the vote, 27 Democrats managed to win while being outspent by their opponents and the National Republican Congressional



Stuart Goldenberg

Committee. Thirteen Democrats won while outspending their G.O.P. foes down the stretch. But 38 Republicans won while spending more, and just two won while being outspent.

Thus the lesson of 1982 was that the economy drew the political indictment against the party in power, meaning that Republicans had to spend more campaigning money if they were going to win. They did. They were able to find the extra money for a last-minute mailing or a new TV spot in enough cases to win a suspended sentence even though the economic verdict went against them generally. (That kind of advantage, which the Republicans will probably have again in 1984, counts far more in a Congressional election than in a Presidential race, where each major party candidate will have about \$40 million of Federal money to spend.)

In trying to apply these lessons to the next round, the problem is to define just what component of economic experience or expectation matters most in determining votes. Is it personal experience, or personal expectations? Is it some retrospective judgment about the national economy or simply expectations about the national economy? There is credible academic research that suggests — to the extent that this element of economic opin-

ion can be disentangled from the others — that national expectations matter most.

D. Roderick Kiewit of the California Institute of Technology, for example, wrote this year, in "Macroeconomics and Micropolitics, the Electoral Effects of Economic Issues," that "In most people's minds national economic conditions reflect upon the performance and policies of the incumbent Administration much more directly than the conditions of their own lives."

Gary C. Jacobson, of the University of California at San Diego, argued last week at the convention of the American Political Science Association that studies of 1982 voting show that no "personal economic experiences or expectations have any significant direct effect on the vote." In other words, national views are the ones that matter and, he says, national views about the future matter more than views about the past.

Measuring Future Hopes

Most practicing politicians tend to accept that idea. The Ford and Carter Administrations, in particular, wanted to view the tests they eventually lost less as a referendum on their economic record than as a measure of hopes for the future, which they, at least, saw in a

bright light. Of course, if the economy is either good and getting better or bad and getting worse, it may make little difference which politicians' question shows the highest correlation with voting intentions. But if, as is usually the case, there are arguments to be made on both sides, it may matter.

For 1984 at least, there is one singular economic circumstance that may have an effect. Past studies have indicated that losing a job has little impact on how, or even whether, somebody votes. But in 1981 and 1982 a lot of steadily employed Americans went on unemployment for the first time. In 1982, Republican money may have deflected their anger and limited G.O.P. losses. By 1984, with Mr. Reagan or some other Republican who will feel compelled to defend the party's record heading the ticket, the new unemployed will have a more concentrated target for their possible revenge.

Absent some spectacular event in foreign policy or some major campaign blunder on either side, the evidence suggests the 1984 election will turn on which side feels it wise to quote Mr. Reagan in the debate in Cleveland in 1980, when he said:

"Ask yourself, are you better off than you were four years ago...?"

هكذا من الأصل

The Reprogramming of Digital

A goliath of the industry seeks new markets to regain strength.

By LESLIE WAYNE

BOSTON — It was a high-tech lover's dream. Assembled under one roof here late last month — and covering some 60,000 square feet — was the largest single exhibit of computer products ever displayed by a computer manufacturer. The Digital Equipment Corporation, the nation's second-largest computer maker, was showing its stuff — and in style. Mini-computers, personal computers and hundreds of software products were displayed in mock settings — fake hospitals, phony offices and even a false battlefield — while thousands of Digital employees and customers scrutinized the wares during a week-long show.

Digital's publicity department likened the event to the "legendary city of Brigadoon," the magical locale that rose briefly and later disappeared. But while the event was decidedly upbeat, its purpose — to whip up enthusiasm among Digital salesmen and whet customers' appetites — was deadly serious. Digital, one of the stars in the computer industry, has stumbled into tough times. After nearly two decades of almost 30 percent annual growth of sales and profits, Digital reported a 32 percent earnings drop, to \$284 million, for its 1983 fiscal year, which ended July 2, the first such drop in 12 years.

"This year," said Carol Muratore, an industry analyst with Prudential-Bache Securities, "has not been a graceful one for Digital."

Particularly troubling has been Digital's lateness in entering the explosive \$5 billion personal computer market. The delay reflects the company's careful and methodical approach to doing business — an approach that some say is inappropriate in an industry where being first with new products is becoming increasingly important. Never before has Digital had to rush a new product to market and, given its size and slow planning cycle, it did not do so with its personal computer. This, critics say, has been a mistake. While Digital tinkered with its personal computer, others — primarily I.B.M., which is expected to post \$1 billion in sales from personal computers alone this year — gobbled up market share and forced Digital into the position of playing catch-up.

"I just don't see how they can resume their great growth rate in the short run," said Frederic G. Withington, an industry analyst with Arthur D. Little Inc. "They're not offering the right products in the right way." Added Ulrich Weil, a computer industry analyst with Morgan Stanley & Company: "You wonder why Digital can't do better than it's doing."

It may be some time before business gets better at Digital. The fast growth of the company's core business — making powerful minicomputers and super-minicomputers for technical, scientific and corporate uses — is slowing as the smaller and cheaper desk-top personal computers, also known as microcomputers, become more popular and more powerful. A number of key Digital executives have quit this year, and the company is undergoing a painful corporate reorganization as it tries to re-program itself to sell to a new and less sophisticated personal computer market. Considered somewhat of a battleship in the computer industry, Digital, which had \$4.3 billion in sales

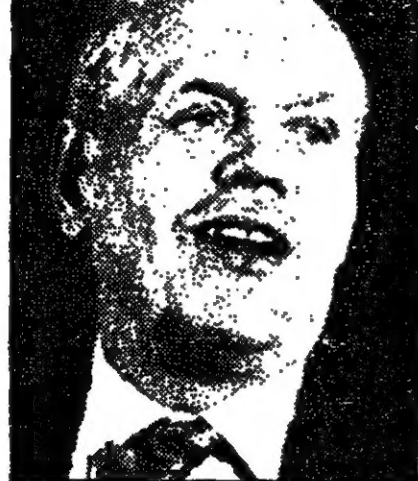
last year, is now finding it must turn on a dime.

This is especially ironic for a company that had been a computer pioneer — making its mark in the minicomputer business. Formed by its current president, Kenneth H. Olsen, 57 years old, in 1957 with \$70,000 in seed money, Digital specialized in products that were smaller than the huge mainframe computers produced by I.B.M.: Digital's machines were about the size of a small refrigerator and were quickly dubbed "minicomputers."

Digital gained a reputation as a sophisticated engineering company making high-quality products for scientific and technical uses and for such office functions as payroll accounting and data processing. (Mainframes, by contrast, are used for large, complex computations and huge information storage.)

With prices that were low and quality that was high, Digital had no trouble gaining a lock on the minicomputer business. It is said to have more minicomputers in place — an estimated 400,000 — than any other maker. Minicomputers vary in price from as low as \$9,000 to as high as \$600,000 — and more depending on the system's sophistication.

But, as the pace of change accelerated in the computer business, Digital found it was being squeezed from two ends. From the top, big mainframe computers, especially those produced by I.B.M., began to fall in price, putting Digital in direct competition with the nation's largest computer maker. And new competitors, like Data General and Prime Computer, were coming up with rival



Kenneth H. Olsen

products employing even newer technologies than Digital's main VAX and PDP-11 minicomputers. They use technologies at least five years old and, as a result, have intrinsically higher manufacturing costs.

These rivals were able to offer technically superior minicomputers — like Data General's MV/10000 series — that often offered more performance for about the same price. And, waiting in the wings is I.B.M.'s new Glendale series, which is expected to put even further pressure on Digital's minicomputer margins. Digital plans to fight back with five new VAX machines to be introduced in 1984, but success remains unclear.

At the bottom end of the market, Digital is being squeezed by the growth of personal computers that can do much of what the larger minicomputers can do — and for a lot less.

Thus, Digital must defend its position in the maturing minicomputer market with an aging product line, while making inroads into personal computers and office automation, markets where others have already established beachheads. It is uncertain whether the revenues to be gained in these new areas will offset declines in the old.

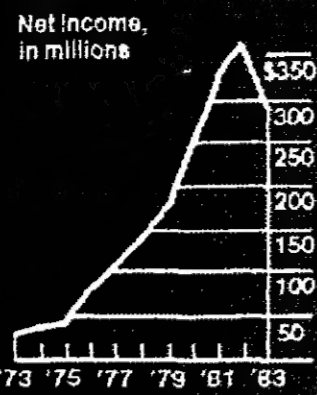
"Just to stay where it is, Digital needs to find new markets and new markets of multi-billion size," said Mr. Withington. "And their penetration in the office automation and personal computer markets is so far not at that rate."

Mr. Olsen, who presided over the 10-day show, is far more optimistic about Digital's prospects. "Things have never been better," he said in an interview at the crowded Digital show in Boston's Hynes Auditorium. "I've never been as happy with our products as now, and even though there's been a slight drop in earnings, we've had no layoffs. I see no real problems with our business."

To some extent, Mr. Olsen's idea of holding a show has paid off. The stock, which had traded as high as \$132 last March, but which had sunk into the mid-90's this summer, has picked up about \$10 a share since the show.

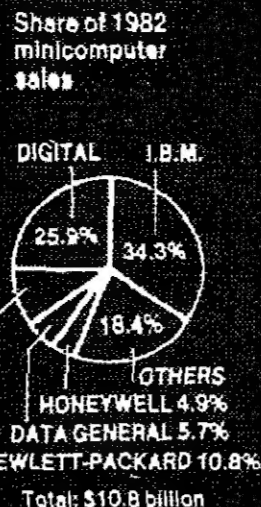
Indeed, Mr. Olsen sees the personal computer and the minicomputer as one large market and believes that the explosion in personal computers will provide a boost to minicomputer sales. "We see personal computers as an important factor in the growth of minicomputers. When people want to do more with a personal computer, they grow into minicomputers."

As a Decade of Soaring Profits Ends ...

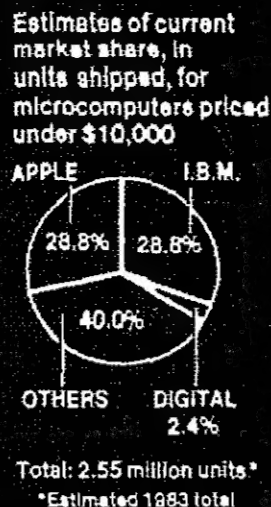


Sources: The Yankee Group; Dataquest

Will Digital Hold Its Own in Minis ...



And Make Headway in Micros?



The Economy

WEEK IN BUSINESS

The U.S. Economy Takes a Breather

At last, the economy may be cooling off, giving some comfort to those who feared a reheating of inflation, if feverish second-quarter growth rates continued. The Government's index of leading economic indicators — a reading of the economy's future course — rose a modest three-tenths of one percent in July. The rise, following hefty advances in earlier months, was the smallest in nearly a year. There were other signs, too, in July that expansion had slowed: New factory orders fell 1.7 percent; new-home sales dipped 6.5 percent, and civilian unemployment flattened at 9.5 percent.

But, according to preliminary reports from the nation's largest retailers, consumer spending perked up in August — a cue that the cooling-off period may be short-lived. Sales at Sears, K Mart and Dayton Hudson, among others, jumped as much as 20 percent over year-earlier levels.

Meanwhile, a strong U.S. dollar continued to wreck havoc on America's merchandise trade balance. In July, the deficit grew by a record \$6.36 billion, bringing the year's total to \$33.6 billion. At that pace, economists say, the deficit is on its way to a record \$70 billion in 1983 — almost doubling 1982's high of \$42.69 billion.

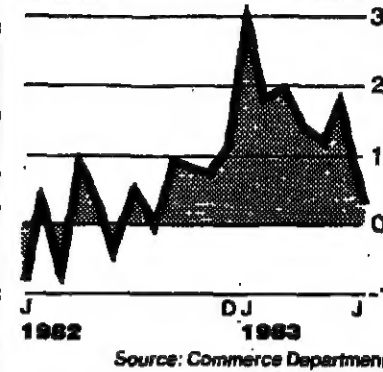
Don't leave home without it. Beginning Oct. 1, Diners Club credit cards will be sent to 30,000 Government employees who, according to the General Services Administration, need them for their many travels. Diners Club, which is owned by Citibank, won a one-year Government contract, which could be extended to three years. The company agreed to forgo the \$45 annual fee per card. But it wasn't exactly a gift to Uncle Sam. The company hopes to reap the benefits from transaction fees on an estimated \$5.5 billion in annual sales generated by 250,000 Federal employees, who are eligible for the plastic.

High-tech relief. A Federal appeals court in Pennsylvania ruled that all types of computer software can be protected under copyright laws. The ruling specifically applied to the operating systems Apple uses on its Apple II and Apple IIe models, some of which are embedded on silicon chips. The Franklin Computer Corporation had made it no secret that its Ace 100 computer was a low-priced clone of the Apple. And Franklin — defendant in the suit — contended that Apple could not copyright either a program on a chip or an operating system, which tells a computer how to store and retrieve information. Had the decision gone the other way, it would have opened a floodgate of cut-rate clones in computer hardware and software, particularly from the Far East.

The bond market fell throughout most of the week until the Federal Reserve reported a \$1.4 billion decline in the money supply on Friday. The unexpected drop caused bond prices to surge and interest rates to fall, eliminating most of the week's

Predicting The Economy

Monthly change in the index of leading indicators



Source: Commerce Department

losses. The Government's bellwether 30-year bond yielded 11.79 percent down from a high 11.96. The stock market broke the 1,200 mark in quiet pre-Labor Day trading. The Dow Jones industrial average gained more than 23 points to close at 1,215.45.

Brazil's central bank president, Carlos Geraldo Langoni, resigned his post, rather than sign an I.M.F. austerity agreement. The accord had been worked out between the agency and Brazil's Planning Minister Antonio Delfim Netto. Mr. Langoni said he felt that Brazil was unable to meet the austerity demands on time and that doing so would be socially harmful for the country. Afonso Celso Pastore, a 44-year-old economics professor and long-time associate of Mr. Delfim Netto, was named to succeed Mr. Langoni.

The F.D.I.C. threatened to take a firmer hand in bank regulation by controlling the nonbanking activities its subscribers could engage in. And the agency formally invited the public to comment on whether it should regulate banks' expansion into such areas as real estate and insurance brokerage, securities underwriting, data-processing and travel-agency services. Chairman William Isaac said his concern was prompted by Congress' inability to pass new banking legislation — laws that would redraw the boundaries between banks and other types of businesses. "At the moment, Congress is immobilized," he said. "If Congress is unable to act then we might decide to."

No slim pickings. Months of speculation over a possible Mesa Petroleum takeover of Superior Oil has ended: Mesa agreed to sell its four million Superior shares back to the company. Once again, T. Boone Pickens Jr. and his Amarillo, Tex., energy company are making millions on the deal — \$31.8 million to be exact. It's the third time in recent months that Mr. Pickens has profited handsomely from such maneuvers. "It's a no-lose proposition for him," one analyst said. "He takes a position, the speculation takes over and the company bails him out."

Nathaniel C. Nash

After the Correction, What?

By FRED R. BLEAKLEY

Martin Sass, president of M. D. Sass Investors in New York, was a big seller of stocks early in the summer, and has been held onto a big cash position since then. Last Tuesday, however, he brought his nine portfolio managers together to discuss, for the first time in months, which stocks they should buy. The founder of the \$1.1 billion money management firm says he senses that the summer's long market correction is coming to a close and he wants to be fully invested when the market turns up again.

Mr. Sass is not alone in preparing a shopping list of those stocks that could lead the market in future months. Despite the pounding that many stocks have taken since the market's peak in mid-June, and the realization that stocks could go yet lower, most money managers and Wall Street strategists are convinced that before long the curtain will rise for Act II of the great bull market of the 1980's. But don't expect a repeat performance of Act I, the Wall Street denizens say.

"It won't be the same as the last 12 months when a rising tide lifted all ships and price-earnings multiples rose en masse," said Leon Cooperman, chairman of the investment policy committee at Goldman Sachs. "Characteristically, the second stage of the bull market is much more selective and is most responsive to earnings."

Not surprisingly, there is a wide difference of opinion on where the bargains are. Some are looking at the fallen high-technology stocks. Some believe the time has come for "smokestack" stocks. Some like utilities. And still others are lining up behind the oils or the big consumer stocks like Johnson & Johnson and Procter & Gamble, which have lagged the market thus far.

But many agree that most of the new market

leaders will be issues that have not been stellar performers in the last year, such as the aluminum, chemical and paper company stocks. A hint of the new leadership can also be seen in the industries that have weathered the choppy trading during the current correction, including oils and metals.

Besides the earnings question, one of the biggest debates is whether the small capitalization stocks, which outperformed the big stocks in the first leg of the bull market, will regain their momentum. (Small-capitalization stocks are those companies whose shares have a market value of about \$100 million or less.) Raymond Armstrong, chairman of the Starwood Corporation, a \$550 million money management firm that manages President Reagan's blind trust, maintains that "big-cap stocks" are now the right place to be. "They will lead the next surge in the market," Mr. Armstrong said. Among his favorites are Goodyear Tire and Rubber, Sears Roebuck, Du Pont, Atlantic Richfield and Union Oil.

Mr. Armstrong expects that retail investors who have been burned on many of the small-capitalization stocks will not be as eager to rally behind them again. Moreover, he notes that money managers have a lot of money to put to work and that they will be looking for highly liquid stocks.

Much of investor attention, Mr. Armstrong believes, will focus on a list of the 22 stocks with more than 75 million shares outstanding and a return on equity of more than 20 percent for the last five years. That "creme de la creme" list, as he calls it, includes Raytheon, Coca-Cola, I.B.M., Hewlett-Packard, SmithKline and Kellogg.

Mr. Cooperman, however, takes "direct issue with this emphasis on large companies," contending that earnings will be the deciding factor, not whether a company is small, medium or large. Among the medium-sized companies his firm is

recommending are Ethyl (specialty chemicals), Crane (specialty steel), Pegasus Gold Ltd., (precious metals) and Storer Communications (broadcasting). At the same time, Mr. Cooperman is telling clients to buy industrial giants in the aluminum, chemical, paper, auto, and tire and rubber industries, which should benefit the most from the current stage of the economic recovery.

Stocks that are candidates for Mr. Sass's shopping list are more of a mixed bag. Mostly they are companies whose stock prices have taken a beating this summer but still show strong earnings possibilities. They include such high-tech companies as Intermedics and Digital Equipment, as well as telecommunications giants like L. M. Ericsson and defense contractors such as Lockheed.

Because Mr. Sass believes the market could still dip into the low 1,100's, he and his portfolio managers are determining the prices at which they will step in and buy certain stocks. With Digital Equipment, for instance, he thinks that a price of \$85 to \$90 would practically "be giving the company away at a fire-sale price." Recently the stock was \$99 a share, down from \$132.

Another group that has had its share of laggards is the consumer-oriented large-capitalization stocks, which include such industries as drugs, cosmetics and photography. Many of them are similar to the "Nifty-50" group of stocks favored by institutional investors in the early 1970's, and they are the choices of Noel Rahn, chief executive officer of Investment Advisers in Minneapolis. He particularly likes Pfizer and MacDonald's because of their potential for earnings growth. Others in that group include Procter & Gamble, Johnson and Johnson and other major manufacturers of nondurable consumer goods.

The New York Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED SEPTEMBER 2, 1983

(Consolidated)

Company	Sales	Last	Net Chng
Diam S	6,560,900	23 1/2	+
Chryslr	4,337,800	29 1/2	+
ATT	3,506,400	66	+
Beth SU	3,089,400	23 1/2	+
GMot	3,062,500	72 1/2	+
IBM	2,976,000	119 1/2	+
Supr Oil	2,963,600	35 1/2	+
N Semi	2,933,600	52 1/2	+
Digital	2,640,000	103 1/2	+
Ford M	2,571,300	60 1/2	+
Alcoa	2,553,200	46 1/2	+
Gen El	2,504,200	50 1/2	+
Exxon	2,489,300	37 1/2	+
Pan Am	2,462,700	7 1/2	+
Dow Ch	2,402,300	36 1/2	+

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
1,255	711	2,193	109	26
781	1,163	2,204	94	25

VOLUME

(A.P.M. New York Close)	Last Week	Year To Date
Total Sales	331,699,421	14,527,130,082
Same Per. 1982	434,406,112	9,590,699,502

WEEK'S MARKET AVERAGES

High	Low	Last Change
111.2	106.8	+2.01

New York Stock Exchange

Index	Last	Prev.	Chng
Indust	111.2	106.8	+2.01
Transp	81.6	87.1	+4.13
Util	47.4	47.0	+0.14
Finance	95.8	94.6	+0.03
Composite	95.3	93.2	+1.48

Standard & Poor's

Company	Sales	Last	Net Chng
400 Indust	187.5	180.5	+4.59
20 Transp	30.1	28.4	+0.131
40 Util	85.1	84.4	+0.27
40 Financial	18.8	18.3	+0.24
500 Stocks	188.0	180.1	+2.99

Dow Jones

Company	Sales	Last	Net Chng
30 Indust	1221.2	1178.1	+12.45
20 Transp	581.2	528.9	+26.44
15 Util	131.3	129.6	+0.89
65 Comb	484.2	465.1	+12.71

The American Stock Exchange

MOST ACTIVE STOCKS

Company	Sales	Last	Net Chng
ImpCh	2,719,700	8 1/2	+
Wang B	1,847,700	31 1/2	+
DomeP	1,602,300	4 1/2	+5/16
Amdhl	845,500	18 1/2	+
AltraCp	701,000	21 1/2	+
InstSy	633,600	3 1/2	+
Vrtbm	606,000	26 1/2	+
Vrtb	523,500	36 1/2	+
AMBld	458,200	9 1/2	+
ChmPh	397,100	5 1/2	+

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
441	329	911	15	21
255	543	916	32	22

VOLUME

(A.P.M. New York Close)	Last Week	Year To Date
Total Sales	29,837,070	1,515,795,109
Same Per. 1982	30,547,520	741,315,520

The New York Times

Founded in 1851
ADOLPH S. OCHS, Publisher 1896-1935
ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVILLE DRYFOOS, Publisher 1961-1983

ARTHUR OCHS SULZBERGER, Publisher
A. M. ROSENTHAL, Executive Editor
SEYMOUR TOWSE, Managing Editor
ARTHUR GELB, Deputy Managing Editor
JAMES L. GREENFIELD, Assistant Managing Editor
LOUIS SILVERSTEIN, Assistant Managing Editor
MAX FRANKEL, Editorial Page Editor
JACK ROSENTHAL, Deputy Editorial Page Editor
CHARLOTTE CURTIS, Associate Editor
TOM WICKER, Associate Editor
JOHN D. POMFRET, Exec. V.P., General Manager
LANCE R. PRIMIS, Sr. V.P., Advertising
J. A. RIGGS JR., Sr. V.P., Operations
HOWARD BISHOP, V.P., Employee Relations
RUSSELL T. LEWIS, V.P., Circulation
JOHN M. O'BRIEN, V.P., Controller
ELISE J. ROSS, V.P., Systems

Measure for Measure

To the grievous and persuasive charge of unprovoked murder in the air, the Soviet Union offers three responses:

1. We did not do it, having fired only "warning shots... along the flying route of the plane."
2. If we did it, that was because the intruding plane could not be identified, behaved suspiciously and ignored our warnings.
3. We should have done it, because we knew this was a "pre-planned" American intelligence mission under civilian cover.

In rational discourse, that is a bald and unconvincing tale. No. 1 evades the evidence and is contradicted by No. 2 which is contradicted by No. 3.

But in the library of Soviet lies, this response is noteworthy as at least an indirect confession of responsibility. Whatever they have discovered about the affair, the Soviet leaders are admitting an unhealthy paranoia about their borders, displaying the aggressiveness born of their insecurity, and exploiting a tyranny that leaves them unaccountable even to their own people.

That Soviet condition is the tragedy behind the tragedy in the Sea of Japan. Even in legitimate rage over the wanton killings, the United States and other nations need to focus on the fact that enormous power is wielded by a secretive, uneasy and insufficiently accountable regime. Counterstrength and vigilance are obviously essential. But so are relationships that pierce the secrecy, enhance security and promote accountability.

For once, President Reagan and his advisers are showing an admirable understanding of that delicate balance. They have used their impressive powers of intelligence and publicity to pursue the truth and to stir a proper revulsion around the world. And now they are groping for a measured and constructive response.

There is no profit in following the Soviet example of warding off demons by shooting yourself in the foot. You do not protect civilization by breaking off arms control negotiations that could bring the world greater security. You do not pierce the obsessive Soviet secrecy by shunning other diplomacy. You do not make Moscow more accountable by drumming it out of the world community.

A measured response requires proper measure of the Soviet offense: a callous attack on innocent international travel and commerce on which the Soviet Union also depends. An aroused world should now give notice that Soviet aviation and shipping cannot enjoy innocent passage while those of other nations are put at risk by murderously excessive Soviet security operations.

President Reagan appears determined to lead such a campaign even as he persists in wary pursuit of other agreements with the Kremlin. Thus to build on tragedy is the meaning of civilization.

You Can Be Sure, Senator

Dear Senator Proxmire:

Do you really think that the present and projected Federal deficits are a good thing?

In an article ("Against Deficits, I'm Sure, Maybe") on The Times's Op-Ed page Wednesday, you raised doubts about the conventional wisdom on the subject. Everyone, you said, from Martin Feldstein, President Reagan's economic adviser, to Charles Schultz, who was President Carter's, argues that "\$200 billion Federal budget deficits represent the most serious threat to the economic recovery of this country."

Yet, you said, large deficits during World War II helped pull us out of the Great Depression. And in recent months the deficits don't seem to have interfered with buoyant growth. "I don't think we should [forget the deficits]," you concluded, "but I'd feel a lot more comfortable if some economists somewhere could convincingly explain why not."

The challenge is hard to resist. Let's see if we can be convincing.

Budget deficits are, in themselves, neither vice nor virtue. It all depends on the circumstance. By spending more than it collects in taxes, the Federal Government increases the demand for everything, from mascara to MX missiles. Thus in times (like these) with millions unemployed and assembly lines idle, deficits help take up the slack.

Once the economy approaches capacity, though, the game changes. Then the Government competes with private buyers for scarce output. Should the Federal Reserve hold firm on credit, the competition is focused on Wall Street, where the Treasury sucks up funds that would otherwise be lent to businesses to purchase goods and services.

Most of the businesses thereby "crowded out" are American. But a portion of the money (and goods) comes from abroad in response to higher interest rates. That reduces private credit and output in the rest of the world, too. Thus American deficits can also reduce investment opportunities and living standards in the rest of the world.

If, on the other hand, the Fed chooses to increase the supply of credit by the amount of the deficit, private borrowers will not be denied the funds they want. The competition then shifts from the credit markets to the product markets, as too many dollars chase too few goods. The inevitable result is inflation.

As noted, the American economy is still running far below capacity, even with the current recovery. Does that mean Congress can, with good conscience, forget about the deficit? Yes and no.

The deficit would be no worry if one could count on sufficient tax revenues or spending cuts to eliminate the red ink once the recession is safely past. But in fact, the opposite is now occurring. What the Congressional Budget Office calls the "standardized employment deficit" — the deficit that would exist were the economy operating near capacity — is growing, not shrinking. By 1986, the budget office estimates, it will be four times as large as it was in 1982.

The choices for you and your colleagues, Senator Proxmire, are as clear as they are unpleasant. Unless Congress raises taxes or reduces spending in the next few years, prosperity is almost certain to end with the bang of inflation or the whimper of tight money. Today's deficit will become tomorrow's disaster. No maybe about it.

Good Signs at the City Opera

When the curtain goes up at last on the New York City Opera's strike-torn season on Sept. 21, the audience is in for a special experience. The words as well as the music will be clear to everyone attending this year's production of Massenet's "Cendrillon."

The company will provide subtitles, or their theatrical version: a running English translation of the opera as it is sung in French.

The experience is familiar to television opera fans. But instead of subtitles below, the City Opera will project its words above the stage's arch, in foot-high letters. They won't be the silly, inaccurate words found in most libretto texts and should increase the enjoyment of much of the audience.

Even if there is some obligatory protest from opera purists, we predict a chorus of cheers from opera lovers, current and potential. All will benefit, even those who know fluent French, know the score and know the Cinderella story. The best singers can be hard to understand in any language. Whether conveying humor or tragedy, characters won't have to overact or mimic stupidly to convey an emotion across the footlights.

Opera can be forbidding to many people who might like it. The running translation will reveal the action to all, whether or not they have prepared in advance. It's worked well for the Canadian Opera Company. We hope it's a hit in New York.

Topics

Standards of Behavior

The Execution Trend

Who says there's no pattern in American executions? The death penalty remains capricious in the way eligible killers are chosen for it. But Mississippi's execution last week of Jimmy Lee Gray, killer of a three-year-old girl, contributed to a deplorable trend of botched procedure.

Mississippi's was the eighth since executions resumed in 1977, helping the United States rejoin that handful of nations still clinging to the extreme penalty.

Extreme but not even dignified or open. When John Spunkelink went to the chair in 1979, his Florida executioners denied him interviews, haggled over the last rites, taunted him and refused him a final statement. When Alabama executed John Evans in April, officials couldn't finish the job until they had slammed him with three 30-second shocks of 1,900 volts each — over a span of nine minutes.

Now Mississippi claims to have dispatched Jimmy Lee Gray in 12 minutes. But when the scheduled witnesses were ordered out of the death chamber, they said he was still gasping for breath. "No questions," the warden said when questioned.

Executions are becoming more frequent, but any hope that they might be conducted decently is fast receding.

No Place for Love

It seems as improbable as Jimmy Carter's "lust in my heart" appearance in Playboy: an article about love in the executive suite in The Harvard Business Review. Sex in the Harvard Business Review? Well, no. Love.

Eliza Collins, a Review editor, writes not about dalliances between boss and secretary. That's gone on for ages, and who imagines it will ever cease? Her concern is love that binds

two people with authority in the same corporation — William Agee and Mary Cunningham in their Bendix days, for example.

It's a relatively new phenomenon because until recently few women reached the upper management ranks. Miss Collins warns that it raises serious new problems: emotional relationships don't easily adapt to business decision-making; intimacy between some managers creates conflict and tension with peers and subordinates. And when these problems are recognized, the remedy too often backfires on the woman who's made it up the ladder. Companies commonly ask one of the lovers to leave, usually the one of lesser rank, and that's still usually the woman.

Miss Collins sensibly cautions corporate America to anticipate these difficulties by posting clear policies in advance. That is not a matter for mere snickering.

Letters

Wanted: High-Caliber Choosers of Weapons

To the Editor:

Your Aug. 28 editorial "Getting High on High-Tech Weapons" is well intended but ill stated. A simple test of its weakness is to apply it retroactively. In this case, the heat-seeking missiles, which you correctly point out were very effective in Lebanon, would never have been developed, and we would be relying on World War II machine guns.

The villain is not "high technology" but the proliferation of projects with inadequate funding or resources to bring them to successful conclusions. We should either adequately fund all promising areas of weapon development or limit the number of projects to the funds available.

The former is politically impossible because it requires a significant increase in the defense budget. We are, therefore, left with the latter, which is politically distasteful: some senators and representatives would lose funding for their pet projects — projects that do not contribute to the defense effort but serve only to satisfy a portion of the electorate.

An escape from this dilemma exists in the form of a permanent weapons advisory board, consisting of successful weapons project managers and

technologists whose charter it would be to recommend those weapons programs absolutely necessary to the country's defense and to define the minimum funding necessary to make



such weapons operational in time and with the requisite reliability.

Such a board, made up of members appointed by the Senate and House majority leaders (who would be free to add to or reduce the board's funding recommendations at their politi-

cal risk), would report to the President (who would be free to ignore the board's recommendations at his political risk).

One third of the board should be replaced every four years midway between Presidential elections. Compensation for board members should be equal to what was earned at their most recent employment so as to encourage the best people to serve.

Such a board would have continuity and be motivated by project success and the best interests of the nation, not the pressures of re-election. Successful weapons project management in prior employment will prepare the board members to judge the level of funding needed, forecast the probability of success from practical experience and deal with the bureaucracy that will threaten them.

If we are once again to be leaders of the free world, we need to circumvent the current inefficiency in program selection. Any successful business matches resources with objectives. Why not where it is most important — in this nation's defense?

M. M. KRANZLER
President, Base Ten Systems, Inc.
Trenton, N.J., Aug. 29, 1983

Let the Seventh Fleet Protect Boat People

To the Editor:

Roger Winter's article on your Aug. 27 Op-Ed page, "Boat Refugees' Horrors," reminds us once again of the barbaric experiences to which the boat people from Vietnam are subjected. He calls for more help from the civilized part of the world but does not offer any concrete proposals.

I have a suggestion: Why doesn't the United States Navy deploy elements of its Seventh Fleet to search for boat people and pirates on the high seas, to protect the former against the latter? It has been a mission of navies for centuries to protect oceangoing voyagers against pirates. Why not now?

The humanitarian aspect of such a program is justification enough. There are, however, at least two other supporting reasons: First, it is consistent with, and evidence of, this country's deep commitment to the protection of human rights at the most fundamental level. Second, it is good naval training.

ROLAND PAUL

Westport, Conn., Aug. 27, 1983

The writer is a former counsel to the Senate Foreign Relations Subcommittee on Security Commitments.

Power for Independents

To the Editor:

In an editorial of Aug. 29, you suggest that voters not affiliated with either the Republican or the Democratic Party should have the right to vote in Republican or Democratic primaries.

I too object that independents have virtually no say in determining who the major candidates for political office will be, but I disagree with your solution. I believe that only those who are committed to the principles of a political party should have a voice in selecting that party's nominees.

To give the growing number of independents a greater voice in the election process, state legislatures should add a primary for an independent line, in which any candidate could enter but in which only independents could vote.

PAUL FEINER

Hastings-on-Hudson, N.Y., Aug. 29, 1983

Two Presidents, Two West Bank Opinions

To the Editor:

In an Aug. 25 news article, "About the West Bank and the Emperor's Clothes," Bernard Gwertzman contrasts a statement by President Reagan that Israel's settlements on the West Bank are "not illegal" with President Carter's contention that they are "illegal."

Neither President, of course, is a lawyer. Mr. Gwertzman identifies the source of President Carter's legal advice on the subject as Herbert J. Hansell, a former State Department legal adviser, who had called the settlements "inconsistent with international law." Mr. Gwertzman does not identify the source of President Reagan's advice. Instead, by his reference to "the Emperor's Clothes," he strongly implies that there is no competent support for the Reagan position. He goes so far as to suggest that this is the kind of Presidential statement "that his aides know is questionable, at best, or wrong, at worst."

Nothing could be more misleading. Your readers should understand that, with all respect to Mr. Hansell (which respect is deservedly widespread), there are other former State Department lawyers who think that Reagan got better advice on this point than

did Carter. As Mr. Hansell properly pointed out, his opinion "had been challenged in law journals." As Mr. Gwertzman does not make clear, some of the published challenges are devastating.

While I do not know who advised Mr. Reagan on this issue, distinguished supporters of the "not illegal" point of view can be identified. Prominent among them has been Eugene V. Rostow, former dean of the Yale Law School, former Under Secretary of State and, if I am not mistaken, a former teacher of both Mr. Hansell and me.

The Reagan "not illegal" position on West Bank settlements is by no means "questionable," except in the sense that serious lawyers can and do disagree on the matter. Many consider the Carter position the more "questionable" (as I do).

Loyal "aides" should not have any problem in "substantiating" Reagan's statement, and no need for "glossing it over." Any such aides who think they "know" that Reagan's statement was "wrong, at worst" should wake up to the fact that sometimes the boss can be right.

OSCAR S. GRAY

Professor of Law

University of Maryland

Baltimore, Aug. 26, 1983

The Politics Behind Foundation Divestiture

To the Editor:

The Times writes that in 1969 Congress mandated the divestiture of foundation assets after having "found evidence of financial hanky-panky by some foundations" [Week in Review Aug. 21]. That's an inadequate explanation of what happened.

Although a number of family foundations did abuse their charitable status, the great American foundations were not involved in "financial hanky-panky." Behind the divestiture law lies national politics, mainly civil-rights politics.

Congressmen found that the social activism of liberal foundations threatened their political base or competed with their views of proper public policy. The *bête noire*, literally, was a massive voter registration campaign. Supported by the Ford Foundation and others, these efforts

led to the registration of millions of new black voters.

Punishing liberal foundations by requiring the divestiture of assets did not, of course, end social activism. Rather, what the law has principally accomplished by eroding foundation assets is the weakening of traditions of philanthropy and pluralism in the U.S. Today, when there is less government money for scientific, social and cultural causes, there is, thanks to the divestiture law, less foundation money available as well.

Now that a conservative Administration is encouraging private giving for public needs, Congress should consider revising the divestiture law and so restore the capability of charitable foundations to the level that they have historically enjoyed.

CHARLES A. MILLER

Lake Forest, Ill., Aug. 24, 1983

ZIP + 4: A Code of Choice That No One Need Worry About

To the Editor:

In "ZIP-a-Dee-Dee-Dah" [Op-Ed July 30], Robert Haber has given Times readers a little satire and a lot of denigration, misconception and misinformation about the Postal Service's proposed ZIP + 4 program.

What should be foremost in the public's mind concerning ZIP + 4 — your current ZIP code plus four digits separated by a hyphen — is that its use will be voluntary. It is intended primarily for use by businesses that mail 500 or more pieces at a time. No one will be required to use it.

It follows that Mr. Haber's worries about "memorization" and "bad human engineering" are groundless. A look at his major contentions will establish that his entire case against ZIP + 4 is specious:

• He says the Postal Service "blew it" 20 years ago by implementing a five-digit ZIP code as a "bulky cornerstone" for further expansion. The Postal Service might indeed have planned for possible future expansion if the need to do so had been anticipated, but it is hard to fault the code's record. The digits Mr. Haber decries are included on 98 percent of all mail today, which is ample evidence that the American public accepts and understands the logic of using ZIP code. And the code has helped the Postal Service effectively to distribute mail to a nation that has

become increasingly suburbanized.

• He alleges the Postal Service used bad "human engineering" and implemented ZIP + 4 to please itself. To the contrary, the addition of four digits requires a minimum of "re-learning." Sure, no one wants more numbers in his life, but ZIP + 4 is designed for communication between machines: a mailer's addressing equipment communicating in its "native language" of numbers with the automated equipment in post offices to establish the point of delivery.

• Mr. Haber alleges that the Postal Service has rejected criticism of ZIP + 4. To the contrary, we have been sensitive and responsive to public concern about expansion of the ZIP code. We have stressed that it is voluntary and intended primarily for use by business mailers who prepare their mail on the kinds of equipment which communicate well with the Postal Service's new automated equipment.

• He suggests that the Postal Service has chosen to emphasize the short term in implementing ZIP + 4. To the

contrary, it is a long-range program intended to allow the Postal Service to meet the challenge of delivering growing volumes of mail in the most cost-effective manner possible. Like area codes in the telephone business, ZIP + 4 is a natural follow-up to the successful 20-year-old ZIP code. It can repay the nation's mail users with some pretty impressive numbers — about \$600 million in annual savings in labor alone the year after the program is fully implemented.

With ZIP + 4, the Postal Service can better control its costs, increase its productivity, keep postage rates stable for longer periods of time, reduce sorting errors and help make delivery more consistent. Achieving these goals will help to keep mail an affordable and universal form of communication. We feel that, given the time, given the facts and given the free choice to use or ignore it, the public and business mailers will acknowledge that ZIP + 4 adds up.

WILLIAM F. BOLGER

Postmaster General

Washington, Aug. 25, 1983



The New York Times
Company
229 West 43rd St., N.Y. 10036

Operating Groups

JOHN D. POMFRET, Senior Vice President
CHARLES R. BRANDELL, Vice President
WILLIAM R. DAVIS, Vice President
JOHN R. HARRISON, Vice President
WILLIAM T. KERR, Vice President

ARTHUR OCHS SULZBERGER, Chairman
SYDNEY GRUSON, Vice Chairman
WALTER MATTHEW, President
DAVID L. GORHAM, Senior Vice President
BENJAMIN HANDELMAN, Senior Vice President
MICHAEL E. RYAN, Senior Vice President
GUY T. GARRETT, Vice President
SOLOMON B. WATSON IV, Secretary
DENISE E. FLETCHER, Treasurer

مكتبة من الصحف

The Russians have done it again. Almost every time since the last world war when there seemed to be a chance of improving U.S.-Soviet relations, Moscow has made some appalling blunder.

The Soviet Union made a deal with Hitler in the Ribbentrop-Molotov Pact in 1939 and then turned on him and, at the sacrifice of millions of their people, helped win the war. Then they turned on their allies, refused to join the Marshall Plan, the Acheson and Lillenthal plans for nuclear arms control and the Eisenhower plan for cutting military expenses in industrial nations and distributing the savings to the hungry peoples of the world.

It's hard to figure them out. In the last few months, Washington and Moscow had been fussing with one another about trade policy and arms control policy. President Reagan opposed his allies on selling gas-pipeline facilities to Moscow and then withdrew his objection but promised to sell the Russians nine million tons of

grain for each of the next five years.

It was at this point, when there seemed to be the possibility of a compromise in U.S.-Soviet trade and arms control relations, that the South Korean jumbo jet drifted into Soviet skies and was either shot down by Soviet fighters or Secretary of State Shultz insists or merely "disappeared" as the Russians insist, without explanation.

The murder of the passengers and crew of the South Korean plane has raised some fundamental questions about the Soviet Union. Did the Soviet fighter pilots have authority from the Government to use their own judgment to fire the missiles that destroyed the South Korean jet? Or, following the plane in Soviet airspace for over two hours, and having come close enough to see its markings and warn its pilots, did they have orders from their regional commanders on the ground or from their political masters in Moscow to destroy it?

Or was there some other human

error, even some mad pilot or some crisis on the plane that made the pilot turn north from the normal route into the sensitive security areas where he was intercepted and shot down? This we would like to know, and the Russians will have to explain before the Security Council of the United Nations in the coming few days.

The United States was quite right to bring these questions before the Security Council and ask for an official inquiry and condemnation of the Soviet action. There is no way that the Security Council can pass a resolution of condemnation, for the Russians will

obviously veto it, but they cannot veto the condemnation and conscience of the world against the savage destruction of the people on that plane.

This, in a way, is the tragedy of the Soviet Union. It is terrified of freedom. Somehow, it feels that maybe the South Korean jet would have learned something by flying over its security areas along the Sea of Japan, but U.S. satellites know much more about what's going on there than any passenger plane could possibly learn, even if it intended to do so.

What did the Soviet Union gain by destroying this plane and killing its

people? It gained the hatred of the civilized world. It assured the success in Washington of all the people who oppose a U.S.-Soviet nuclear arms compromise and insist on putting U.S. cruise and Pershing 2 missiles in Europe at the end of this year. And it disarmed those who had hoped that maybe the United States and the Soviet Union could work out a nuclear arms compromise in Geneva.

The destruction of the Korean plane also questions some other assumptions by some people in the Congress and even in the executive branch of the Government and in the press who had hoped for a compromise between Moscow and Washington.

This was that maybe the Russians, and particularly their new leader, Yuri Andropov, were cautious people, willing to intervene in wars of liberation, as they call them, in Central America, Africa and the Middle East; but that also they were trying to avoid dramatic confrontations with the United States and its allies in the West.

On this assumption, President Reagan has been looking for some kind of vague agreement with Moscow and the allies, and modifying his rhetoric about the Soviet philosophy. And then, suddenly, for whatever crazy reason, the Russians committed this tragic horror against the South Korean plane in the Sea of Japan.

Unfortunately and ironically, this has created the very thing both sides fear the most; namely, that they differ so much about the sanctity of borders and human life, that there's no point in trying to reach a compromise on the control of nuclear weapons.

Later on, the sense of outrage about the Korean plane disaster may settle down, but it will take some time. It is one thing for the Russians to put pressure on Poland, or even to invade Afghanistan, but to shoot down a civilian plane with the loss of over 200 lives and then not to explain why has sent a shudder through the world, and it is not likely to be forgotten here, especially in the White House and on Capitol Hill.

WASHINGTON

The Soviet Tragedy

By James Reston

Reagan's Anti-Human Rights Policy

By Charles Maechling Jr.

tions (since abandoned) between "authoritarian" and "totalitarian" governments, the State Department came up with a new formulation. An "eyes only" memorandum from then Under Secretary Richard Kennedy to then Secretary of State Alexander M.

Haig Jr. proposed that since human rights in the traditional sense had become a threat to Reagan Administration foreign policy initiatives, they should henceforth be defined as

"political rights" — in order to convey "what is ultimately at issue in our contest with the Soviet bloc." By political rights, he of course meant civil liberties and political freedoms

in contrast to the sanctity of human life.

The memorandum became Administration policy, and with sanctity of the person effectively dropped from the Administration's human rights agenda, officials tried to divert public attention

LONDON — Human rights are in trouble. So obsessed is the Reagan Administration with left-wing insurgencies in Central America that it has not hesitated to twist through redefinition the meaning of human rights in order to downgrade the most basic right of all, the right to life. Its acquiescence in patterns of torture, murder and other forms of state terrorism practiced by client governments not only violates the intent of human rights legislation, it comes close to condoning the kinds of crimes against humanity condemned at the Nuremberg war crimes trials.

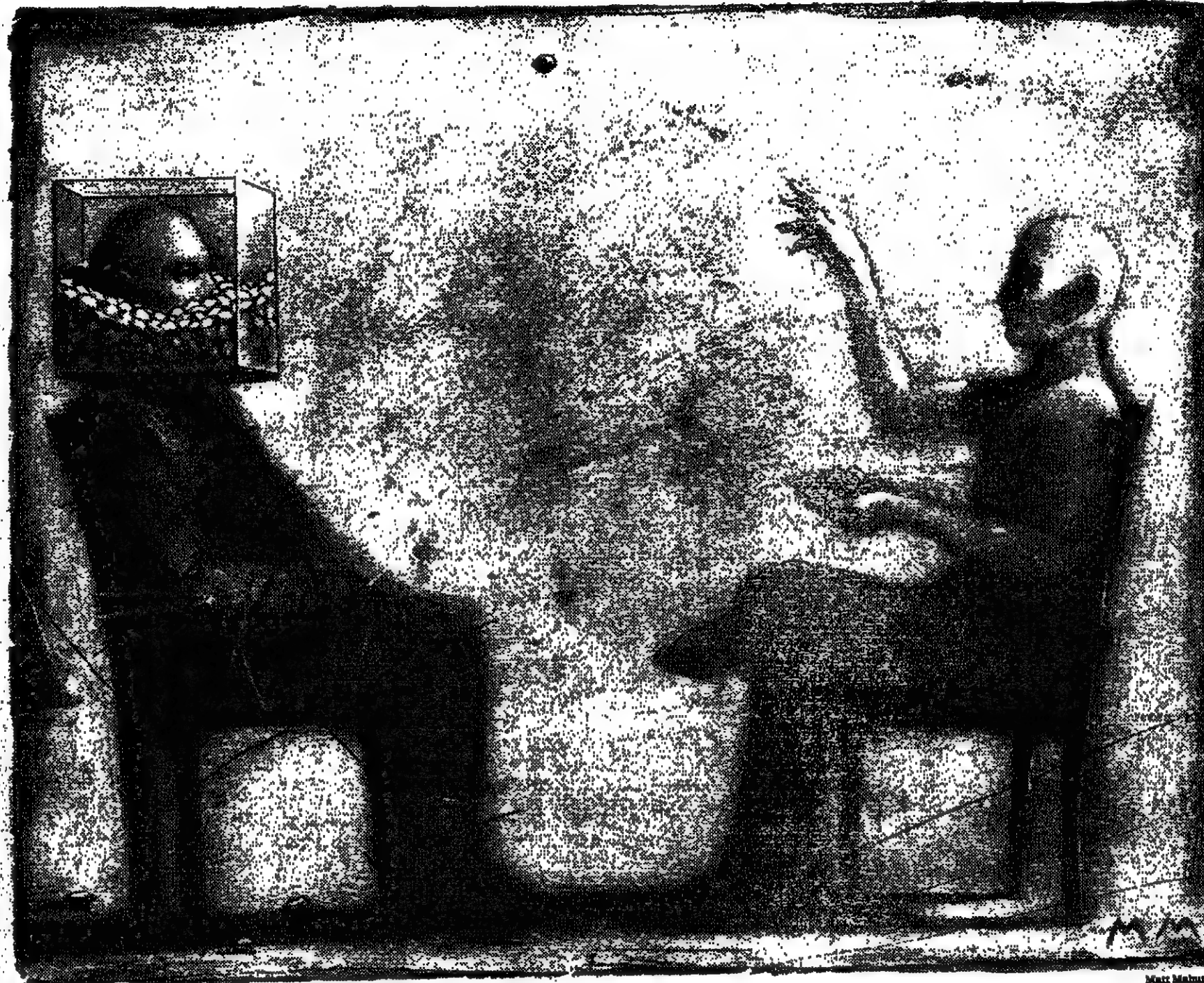
Since 1974, the Foreign Assistance Act has prohibited the furnishing of military and economic assistance to any country that engages in a consistent pattern of gross violations of internationally recognized human rights. Specific laws applicable to notorious violators like Argentina and Guatemala, and ancillary laws covering aid from international financial institutions, supplement the basic legislation.

United States law is unequivocally clear in intent. Although human rights in the broader sense now includes a wide range of so-called human-needs claims, the Foreign Assistance Act defines gross violations in terms of "torture or cruel, inhuman or degrading treatment . . . disappearances . . . or other flagrant denial of the right to life, liberty and security of the person." It reflects the instinctive priority accorded to the sanctity of the person by civilized peoples.

The Administration has been trying to circumvent this definition from the day it took office. The reasons are obvious. Especially in Latin America, the core of foreign policy has been support for right-wing military regimes that view all left-wing revolutionary movements as part of a conspiracy centered in Moscow and Havana. The security forces of these regimes have consistently used inhuman methods to exterminate the opposition and its sympathizers. Strictly applied, a right-to-life standard would place Nicaragua in a far higher category than El Salvador and would even make it hard to single out Cuba and the Soviet Union as the supreme malefactors.

Hence, in October 1981, after floundering about with specious distinctions

Charles Maechling Jr. is senior associate at the Carnegie Endowment for International Peace, in Washington. This article is based on one that appears in the fall issue of Foreign Policy.



Matt Mahurin

from the atrocities and abuses of "friendly" governments to the constitutional imperfections and civil liberty infractions of adversaries. In the innumerable speeches and statements on human rights by Jeane J. Kirkpatrick and the Assistant Secretary of State for Human Rights and Humanitarian Affairs, Elliott Abrams, one can search in vain for any condemnation of the Guatemalan Army's butchery of Indian women and children or compassion for the desaparecidos ("disappeared") of Argentina. Reports of human rights organizations, or even the recent investigations of conditions in El Salvador by the New York City Bar Association and a United States public health team, are not mentioned. Mr. Abrams has even tried to discredit the testimony of peasant refugees by implying that they are "guerrilla sympathizers."

For purposes of justifying aid requests to Congress, the Administration has instead tried to make progress toward "democracy" the benchmark. To the extent that abuses are acknowledged, the Administration maintains it is mitigating them through "silent diplomacy."

After three years of distorting legislative intent, what has the Administration accomplished? In Central America and other corners of the world, the slaughter of innocents continues. Security forces remain autonomous and unaccountable for human life. The constitutions of the worst violators continue to proclaim the rights of man in even greater detail than the our Constitution — Article 7 of the Salvadoran Constitution actually recognizes the right to insurrection — but prisoners released under amnesty vanish and opposition leaders risk sudden death if they return to their countries.

Congress has been overly indulgent in allowing the Administration to substitute an easily manipulated political standard for right to life. The result has been further erosion of our humanitarian image and identification of America with barbaric methods of repression. It is also a demonstration of weakness. Granted that America cannot tailor its strategic interests to the inadequacies of other societies, there is no reason for it to countenance the inhuman practices of governments largely dependent on our support.

If the executive branch is unwilling or unable to uphold civilized standards, Congress should enforce the law and cut off aid to violators. Someone has to get the message across that unless our unsavory clients shape up, we ship out.

Get Out of Lebanon

By James G. Abourezk

attempting to dispossess from their shantytown homes on the outskirts of Beirut several hundred thousand poor, mostly Shiite Moslems. These unfortunate people crowded around Beirut during the years following 1970 when the Israeli Air Force conducted its scorched-earth policy and drove them out of southern Lebanon.

Given their choices, or the lack of them, they are fighting back — hard. For them, it is either fight or lose

what little shelter they now have. If they lose, the only alternative is to move back to southern Lebanon and live in another shantytown — this time under Israeli occupation.

Rather than undertake friendly consultation with the Druze and the Shites, as it did when it moved the Lebanese Army into East Beirut, the Government tried its steamroller approach. The results have been devastating, not only with respect to the

marines who have been killed and wounded but also to the hapless civilians who are taking the brunt of the casualties.

Even in the best of times, the division of power has had a fragile, near-the-brink existence. But now, with the addition of Israeli, Syrian and international military units, it has become an unstable mass.

It is into this Byzantine world of Lebanese politics, and its accompanying violence, that President Reagan has sent marines to "restore the territorial integrity, sovereignty and political independence of Lebanon," as he told the Congress. But what Lebanon needs is not American troops and aircraft carriers but

American diplomatic pressure to bring about reconciliation of the factions — a fairer sharing of power.

Whether wittingly or unwittingly, our blind support of the existing policies prevents such a national reconciliation. Marines cannot, obviously, patrol the streets, and they cannot simply sit in defensive positions and take more casualties. We need not prove our national courage by leaving them where they are like sitting ducks. But we do need to prevent more casualties while at the same time seriously rethinking our own policies toward Lebanon.

The American presence is seen by the right-wing militias as approval for their agenda, for their domination of the factions that have opposed them during the long years of civil war and mutual slaughter. It is simply intervention under a new name, but it is intervention nevertheless. American politicians' failure to understand what we have gotten ourselves into will bring troublesome consequences for us and our military. There has been no national debate on whether or not we should intervene in a civil war in Lebanon — particularly on the side of a minority faction that has proved itself to be excessively brutal. No major voice has yet been heard on the folly of placing American troops in a deadly crossfire.

Typically, most members of Congress complain only about the Administration's failure to consult under the War Powers Act, not about the broader question of the wisdom of sending our military into such a complex political maze. I voted against the War Powers Act when it passed the Senate. My reasons for opposing it are as valid today as they were then. Its effect is just the opposite from what was intended. It has in reality prevented debate. It has given the President an excuse — which has gone unchallenged by the Congress — to intervene when he could not have done so under the Constitution.

Washington has a real opportunity to do something in the interests not only of the United States but also of the long-suffering people of Lebanon. It can lend its tremendous weight to peaceful reconciliation, which will ultimately preclude the need for Lebanese factions to bring in outside forces to fight their battles for them.

ABROAD AT HOME

And Down Came All

By Anthony Lewis

BOSTON — In its values and methods it is a state profoundly alien to us. Dealing with it is grindingly difficult. But in this world there is no alternative.

Those are the frustrating realities that confront us in the destruction of Korean Airlines Flight 7. The Soviet Union's behavior deserves the words it has evoked: uncivilized, callous, deceitful. But when the rhetoric is over, what is it useful for us to do? Would it help our security to worsen communications with a rigid, suspicious superpower? To put weaponry on more of a hair-trigger basis? To start trade embargoes in which we have no confidence ourselves?

The political danger of this human disaster is in fact that it will push Soviet-American relations back into a phase of rhetoric. And we just seemed to be emerging from such a time of

barren, hostile, dangerous talk. President Reagan took office with an ideology so fixed in its view of the Soviets that he seemed almost to doubt the value of talking with them. They were the "evil empire." Agreements with them, on nuclear arms and other matters, had endangered us.

But there have been signs lately that facts were breaking through the Manichaean ideology. The obvious example was the long-term contract for grain sales to the Soviet Union. A domestic political and economic reality — that is, the desire of American farmers to sell grain — combined with an awareness that an embargo had not hurt the Russians to overcome doubts about making up shortfalls in the Soviet economy.

There were other signals. A United States ban on sales of machinery to lay pipelines was lifted. Washington suggested talks on restoring scientific and cultural exchanges, and on opening consulates in Kiev and New York. There were feelers about upgrading the Washington-Moscow hotline to prevent accidental nuclear war.

The big question was whether such modest steps could lead to the big one: a serious effort to reach arms control agreements. Here, too, Mr. Reagan was being moved by reality: growing public and Congressional resistance to expensive and destabilizing new weapons systems.

Would the Soviet leadership try to do real business with so hostile an

Administration? Some U.S. experts had thought not. But now it seemed that Yuri Andropov might be ready to try.

That atmosphere of possibility has been shattered by the shooting down of Flight 7. The immediate reaction in this country will likely be to swing Congress behind even the most dubious arms measures: nerve gas, the MX, weapons in space. Resistance to the deployment of new nuclear missiles in Europe may weaken.

The Soviet leadership could hardly have wanted such results. Hence the general belief among U.S. experts is that the leadership was not consulted before Flight 7 was attacked, and that the top military command was probably not involved in the decision either. The guess is that regional air defense officers reacted strictly according to their rules of engagement. They may well have tried to signal the South Korean plane. But when for whatever reason it did not respond, they shot it down.

The area crossed by Flight 7 was a militarily sensitive one. It was not the first time a South Korean airliner had gone off course and entered Soviet territory. Conceivably Soviet radar technicians could have mistaken it as an intelligence-gathering aircraft. Other countries have made such mistakes: Israel shot down a Libyan 727 when it strayed over the Israeli-occupied Sinai on Feb. 21, 1973.

But none of those possibilities can really excuse this incident. Only a systemic rigidity fed by paranoia

could produce a situation in which a large plane is tracked for hours and then shot down.

Even less can the Russian statements after the fact be justified. How easy it would have been to express regret in a generous way. Object to the Korean aircraft's intrusion, yes, but without the evasions and fulminations.

The rhetoricians on both sides are now at work. To Tass, the American criticism is "impudent." To U.S. spokesmen, the Soviet behavior is "characteristic."

An incident so ugly must have immediate ugly consequences. But it is

Possibilities shattered

still possible for leaders to prevent a longer term deterioration.

The danger on the American side is a return to a policy that amounts to not talking. The idea that Soviet power can be restrained by isolation is a dangerous illusion. In this very incident, communication between Soviet and U.S. officials over the wandering plane could have prevented the worst.

The Soviet Union is a state at odds with us in fundamental ways. But we live on the same planet, and shouting and posturing will not make it go away. In the long run there is no safe escape from the hard work of negotiation.

James G. Abourezk, former Democratic Senator from South Dakota, practices law in Washington. His parents were born in Lebanon.

Arts & Leisure

Theater in China Opens Some Doors

By CHRISTOPHER S. WREN

PEKING

The political message used to be the only medium in contemporary Chinese theater. During the 1966-1976 Cultural Revolution, ideologues even dictated the plots and sent playwrights to research the details firsthand among the masses, who enjoyed final script approval. Those were the years when Ying Ruocheng and his fellow actors at Peking's People's Art Theater were planting rice down on the farm or making kites in the rehearsal halls for lack of anything more sensible to do.

Following the death of Chairman Mao and the jailing of his widow Jiang Qing, a former Shanghai actress who dominated the radical clique now castigated as the so-called Gang of Four, Chinese theater has emerged from the shadow of the Cultural Revolution — though hardly from all political constraints. "A few years ago, we were talking about the remnant fear in the heart of the artists," Mr. Ying said. "They felt afraid. I think that's mostly gone."

Ying Ruocheng may be familiar to Americans as Kublai Khan in last year's television mini-series "Marco Polo," a supporting role that obscured his stature as one of China's foremost actors and directors. In Peking, Mr. Ying is far better known as Willy Loman in a watershed production of Arthur Miller's "Death of a Salesman," which has mesmerized packed audiences for over three months.

"During the Cultural Revolution, it

was accepted by everyone that if you wanted to write a play, novel or work of art, you must have a message and usually a simplistic message. You must have a message before you have a play, which is nonsense, of course," Mr. Ying recalled in fluent English as he sipped a cup of tea in a back room of the People's Art Theater. "The backlash to that has been strong, too. People have made a point of declaring, 'I have no message.' What they mean to say is, 'I have no message as a forerunner. You don't write a play unless you have something to say.'"

Still, Chinese theater remains beholden to the Communist party. "Dramatists are bound by duty to support socialist ethics by giving people positive, lasting encouragement through their artistic productions," Zhou Yang, a top cultural commissar, told playwrights in one pep talk last year. Yet the successful run of "The Death of a Salesman" testifies to a greater leeway given by the party and the ministry of culture. Arthur Miller's classic play has opened the door a little further to experimentation even though theater, like art and literature in China must foremost serve socialism.

In recent Chinese plays, there has been more realistic discussion of social problems. "If I Were Real," which dealt with privilege among the children of party functionaries, was restricted to select audiences when it premiered in 1979. There was no such caution in 1981 with "Who Is Stronger," another play that depicted with candor a factory manager's battle against vested corruption.

The People's Art Theater has included two modernistic plays by Gao



Cao Yu, director of the Peking People's Art Theater, with Arthur Miller—Chinese playwrights with something to say have tended to hide behind history.

Xingjian, a writer influenced by Jean Genet and Samuel Beckett. His "Warning Signal," performed with a minimum of props by actors in street clothes, tells of an unemployed young man who encounters his fiancée on a train that he has set out to rob. In a sensual scene unthinkable a few years ago, the lovers caress each other to the strains of electronic music. In the same author's "Bus Stop," eight people hang around 10 years waiting for a bus that turns out to have been canceled, a metaphor perhaps for the wasted decade of the Cultural Revolution.

Such plays are clearly a break with the *san tuchu*, or "three prohibitions" favored by the Maoists — that positive characters must be more prominent than negative ones, that heroic characters must be more prominent than just positive ones and that the most heroic character must be most prominent of all. "They theorized that all literature and art fol-

lowed that, even Shakespeare," Mr. Ying sighed.

Given the difficulties of direct expression, Chinese playwrights have tended to hide behind history to convey a modern truth. Not that obliqueness always guaranteed ideological acceptance. The Cultural Revolution was launched in 1966 after Chairman Mao construed "Hai Jui Dismissed From Office," an obscure Ming dynasty tale dramatized by Wu Han, as an attack on himself.

The allegorical device survives. Bai Hua, a playwright, got in trouble a couple of years ago for his blunt film script, "Unrequited Love," in which an artist returning home from abroad is hounded to death by radicals while the party stands by. The film was shot but never released.

Mr. Bai had to write a self-criticism. Mr. Bai has rebounded with "The Shining Spear of the King of Wu and the Sword of the King of Yueh," an allegorical play about a king corrupted by power some 2,500 years ago. The play enjoyed a safe run last season in Peking because everyone took it as an attack on the megalomaniacal rule of Chairman Mao. But Ying Ruocheng said that he wanted to see contemporary drama move beyond "this literature of conspiracy

and historiography of insinuation."

A catalyst for experimentation have been the latest translations of Western plays denied the Chinese for so many years. A prominent hit of 1981 was "Measure for Measure," which featured Mr. Ying. Other translations of Shakespeare have included "Macbeth," "The Merchant of Venice," and now an operatic version of "Othello," complete with Chinese cymbals. Last year, the People's Art Theater also staged "The Butcher," a West German play about the Hitler era, and "The Visit," by the Swiss dramatist Friedrich Dürrenmatt.

Mr. Ying said that previously the only modern American drama had been stage adaptations of two films: "Body and Soul," and "Guess Who's Coming to Dinner," which the cultural watchdogs approved for their unflattering depictions of gangsterism and racial prejudice in the United States. Similarly, "Death of a Salesman" was admitted to limn the cruelty of American capitalism, though Mr. Ying said that no critic took such an interpretation seriously.

Instead, they sought out a lesson in family relationships, which remain strong in Chinese society. "A lot of older people were dragged to the theater by their children and told,

"you are treating us in the same way as Willy Loman treated his children," Mr. Ying said. "There was no problem with identification. People who came to see something exotic soon found themselves involved. People cried unashamedly."

Mr. Ying, who worked for six weeks translating "Death of a Salesman" into the Peking dialect of the 1940's, noted that the play contradicted the Chinese notion of a protagonist. "Willy Loman does everything that a self-respecting revolutionary cadre would not do. He brags, lies, has affairs, raises children in the wrong way and finally kills himself."

Yet Willy Loman was a refreshing change. "After so many years of Jiang Qing, people are programmed," Mr. Ying said. "When they see the main character, they expect him to be a goody-goody. This man does everything wrong and you still end up loving him."

Arthur Miller's flashbacks that conveyed Willy Loman through time and space were also novel. Classical Chinese drama likewise ignored physical constraints and offered ghosts. But modern Chinese theater which emerged in the early 20th century developed as a protest against fiddling with life's dimensions. "For a long time, Chinese drama was thought of as the fourth wall taken away and the audience witnessing what is there," Mr. Ying said. "I think the ground has been prepared in the last three years in a number of productions that have broken out of this naturalistic style."

The People's Art Theater, which was founded 31 years ago, has been on the cutting edge of such change — buttressed by the prestige of such prominent theatrical figures as its director, the Shanghai playwright Cao Yu. Like other theaters in China, it is cushioned with hefty government subsidies. "The great advantage of a permanent company like ours is that you really get to know each other. Each company, after years of working together, evolves its own style," Mr. Ying said.

But reform should extend beyond the selection of plays, Mr. Ying said. He estimated that his theater employed 400 people, nearly 90 of whom were actors. Half of the staff, including cooks, plumbers, and non-stage electricians, were not directly involved in performances. "Because of this system, we gather dead wood. Younger people feel stifled," he said.

Overstaffing, which plagues almost every Chinese enterprise, has caused desperation among those who lost the salad years of their careers to the Cultural Revolution. "If an actor is not given a part for three productions in succession, he feels he has the right to complain," Mr. Ying said.

'Daniel' Confuses Its Issues

By JANET MASLIN

When a film begins the way "Daniel" does, it's being either very foolhardy or very brave. The opening image is that of the narrator in tight close-up, scowling furiously as he describes the process of electrocution. Moments later, we see this same young man at a family dinner, sounding no less bitter or sarcastic as he quarrels with his younger sister, who is herself equally enraged. It's a daunting beginning, at the very least. Any audience is bound to be uneasy in the presence of such an abrupt outburst of anger.

Rage is at the heart of "Daniel," a film about children whose parents have been executed on political charges, and whose story bears unmistakable resemblances to the controversial Rosenberg case. The rage exists on both the personal level, since the two young principals obviously feel greatly aggrieved, and on a broader political plane; while the film avoids explicit evidence as to the guilt or innocence of the executed couple, it expresses enormous outrage over their fate.

Had these larger political concerns been more successfully articulated and linked to the personal development of its characters, then "Daniel," independent of any debate as to its historical justification, might have been formidable in its fury. Instead, its indignation becomes aimless and dissipated, though it is no less abrasive for its lack of a clear target. "Daniel" mixes fact and fiction freely, yet it never strikes a successful balance between developing its characters and presenting a clear and coherent attitude toward the events in which they are implicated. The audience is allowed neither a close understanding of these characters nor any clear knowledge of what they stand for or what they've done.

Foremost in the mind of anyone who's heard about "Daniel" is doubtless the question of whether or not this is indeed a film about Ethel and Julius Rosenberg. This

from an embittered victim of circumstance to someone who has come to terms with his own history.

Mr. Doctorow, in presenting Daniel as a highly sympathetic character, freely altered the facts of the Rosenberg story to heighten that impression. The children in the novel become a protective older brother and a fragile young sister, rather than two brothers. And the key witness who testified against the Isaacs was removed to the status of family friend, though in the Rosenberg case this witness was David Greenglass, Ethel Rosenberg's brother. Discussion of the trial was avoided almost entirely, as was speculation as to what, if any, activities the Isaacs might have been involved in. Such changes make far more sense on the page, where they are more obviously in the service of a larger fiction, than in the much more literal medium of film. On screen, they merely serve to obscure the issue of the Isaacs' guilt. The film also suffers from the loss of Daniel's narrative voice, which gave the book much of its immediacy and strengthened the link between his story and that of his parents.

Far from attempting to win the audience's interest and sympathy in ordinary ways, "Daniel" seems to demand these things as its due — apparently assuming the viewer's agreement with its point of view, however vaguely that has been presented. The film doesn't quite bully the viewer, but neither does it go to any undue lengths to make itself appealing. Its tone remains bitter, almost punishing, much of the way through. Its lighting is so oppressive that there's a subtle sense of relief each time the yellow glow of the flashbacks gives way to the 60's scenes' brighter hues. The soundtrack, which includes a number of recordings by Paul Robeson, is beautiful but so somber that when the sweet, lilting voice of Caroline Doctorow (the author's daughter) accompanies the film's closing moments, it creates a palpable lift. Mr. Lumet seems determined to offer very few such gentle satisfactions, though.

To add to its generally stern and self-righteous quality, "Daniel" sometimes makes its political points in terms that, on the level of character, are almost incomprehensible. How is an audience meant to regard a scene like that of Paul Isaacson's visit with his family during his army years? Paul sits at the center of a room, surrounded by friends and relatives who watch him lovingly as he tells of having been in the South, where he has marveled at the simple dignity of those who work the land. The other actors sit rapt as Mr. Patinkin, whose performance is for the most part very impressive, delivers an awkward monologue on the subject. Then he gets up, turns on the phonograph and begins dancing ecstatically around the room — and still nobody makes a move to interrupt him. The other actors simply watch him and clap, though surely Paul's statements would prompt other discussion at any actual gathering. The tendency of the characters in "Daniel" to make speeches rather than speak, or to behave uniformly at meetings or rallies, contributes to the film's polemical air and to its general strategy of overpowering, not persuading, the audience.

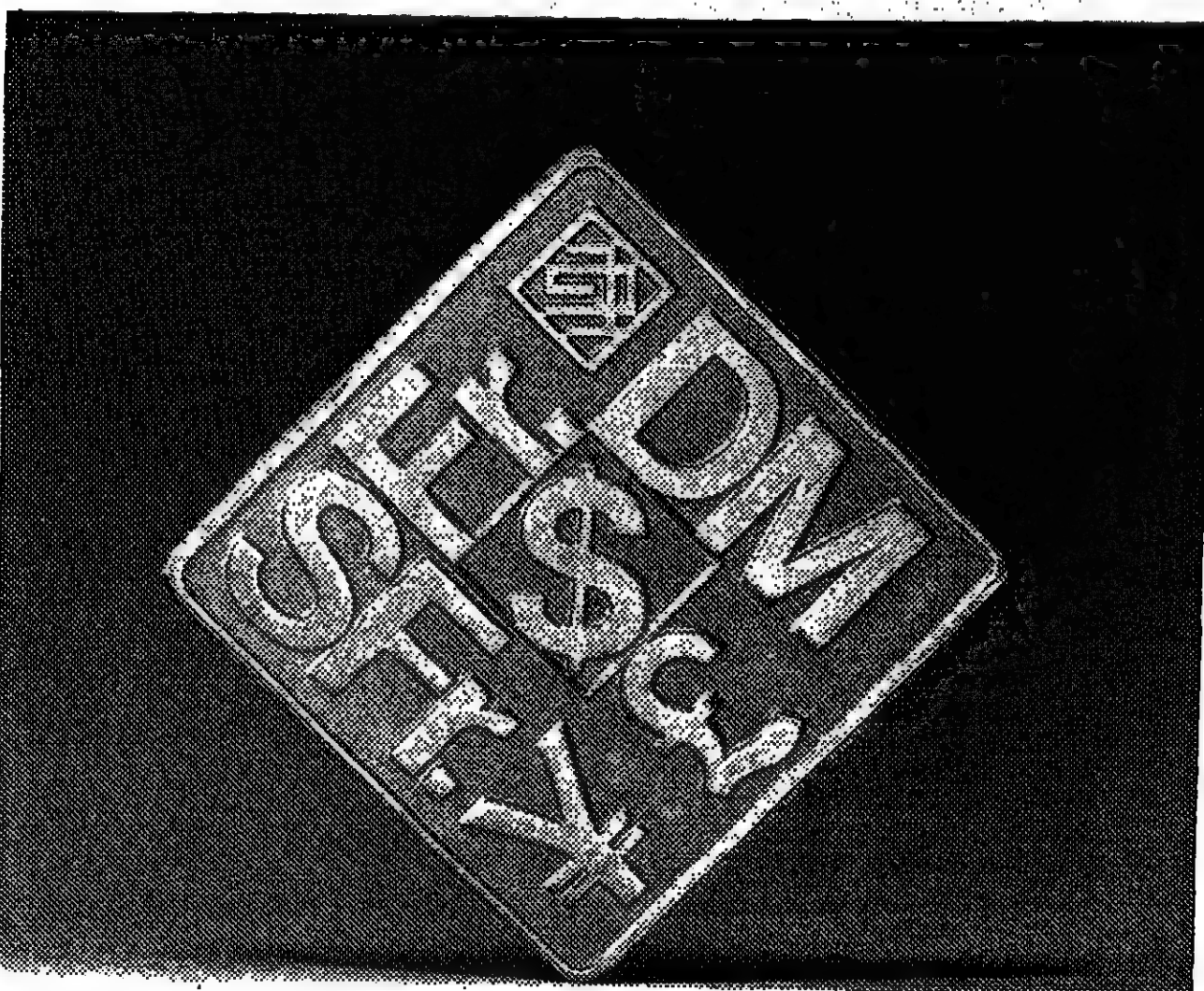
Mr. Lumet's Isaacs emerge, rather fuzzily, as lovable ideologues, lecturing their children about the hidden economic messages on a Wheaties box (Mr. Patinkin does this beautifully) and singing along to "Pearl and the Soldiers." But we are told of the righteousness of their cause, rather than its nature. Their fate, when it befalls them, seems an utter mystery, as does much about the texture of their lives. If they are not exactly the Rosenbergs, neither are they allowed to become anyone else that the audience might understand.

The Daniel of the film's last scene appears at an enormous anti-war demonstration in Central Park — even though, as the film attempts to link Daniel's awakening 60's radicalism with the politics of his parents, it is attempting a giant leap rather than arriving at a logical conclusion. At the rally, Daniel is seen looking peaceful at last, though his thoughts are left unexplored, suggesting nothing more specific than that he may at last have been released from the burden of his history. In contrast, the Daniel of Mr. Doctorow's novel compares his parents' politics to his own much more directly when he remarks, after having had his eyes blackened and his teeth knocked out at an anti-war demonstration in Washington: "It is a lot easier to be a revolutionary nowadays than it used to be." That one observation of Daniel's offers more insight into the pain and irony of his situation, and more sense of his personal ordeal, than anything in the movie.

The film doesn't quite bully the viewer, but neither does it go to any undue lengths to make itself appealing.

Isn't a question that wholly vanishes after the film has been seen. Its narrator is the son of Paul and Rochelle Isaacson (Mandy Patinkin and Lindsay Crouse), a couple who, like the Rosenbergs, have been implicated in conspiracy to commit espionage, and who are subsequently executed. Much about the Isaacs' story, which is presented as a series of golden-hued flashbacks that interrupt Daniel's late-1960's narrative, evokes the Rosenbergs. For instance, the Isaacs' electrocution sequences, which are presented in elaborate detail, closely match accounts of the Rosenbergs' final moments. However, the specific issues of the Rosenberg case are not addressed. And "Daniel" makes no attempt to insure that its evocations of the affair are identifiable or even consistent.

In part, this may be attributable to the historical uncertainties surrounding the Rosenberg case (on which new light has recently been cast by the new book "The Rosenberg File: A Search for the Truth," a lengthy and fascinating investigative work by Ronald Radosh and Joyce Milton). Another reason is undoubtedly the fact that "Daniel," which was directed by Sidney Lumet, has a screenplay by E. L. Doctorow based on Mr. Doctorow's own novel, "The Book of Daniel." That 1971 work interweaves history and fiction in a wholly idiosyncratic manner. As the book's Daniel recounts his parents' story, grappling conspicuously with the material of his past and constantly trying out different narrative tones, his own story becomes much more immediate than the memories he summons. The book charts Daniel's progress



However you pronounce our name, we're the bank to talk to about foreign currency.

As we've grown from Israel's major bank into a worldwide bank in international currency transactions, more and more businessmen are learning to pronounce our name. They've discovered that in today's fluctuating money markets, Bank Hapoalim is ideally positioned to provide data and implement decisions rapidly and reliably. They've learned how \$22.3 billion in assets, facilitates exchange across a span of currencies and time zones. And they're finding, in 360 banking offices in 14 countries, specialists who can advise them about the most favorable buy, reduce risks, and structure currency investment packages. Bank Hapoalim, one of the world's 100 leading banks, and among the world's top 50 in profitability. Integrating 60 years of experience into a real-time approach to foreign currency transactions.

And that's something to talk about.



Bank Hapoalim The bank to talk to.

Head Office: 50 Rothschild Blvd., 6124 Tel Aviv, Israel. Tel: (03)628111

New York • Los Angeles • Chicago • Philadelphia • Boston • Miami • Toronto • Montreal • London • Manchester • Paris • Zurich • Luxembourg • Buenos Aires • Sao Paulo • Caracas • Mexico City • Montevideo • Punta del Este • Panama City • Cayman Islands

And over 340 branches of the group in Israel

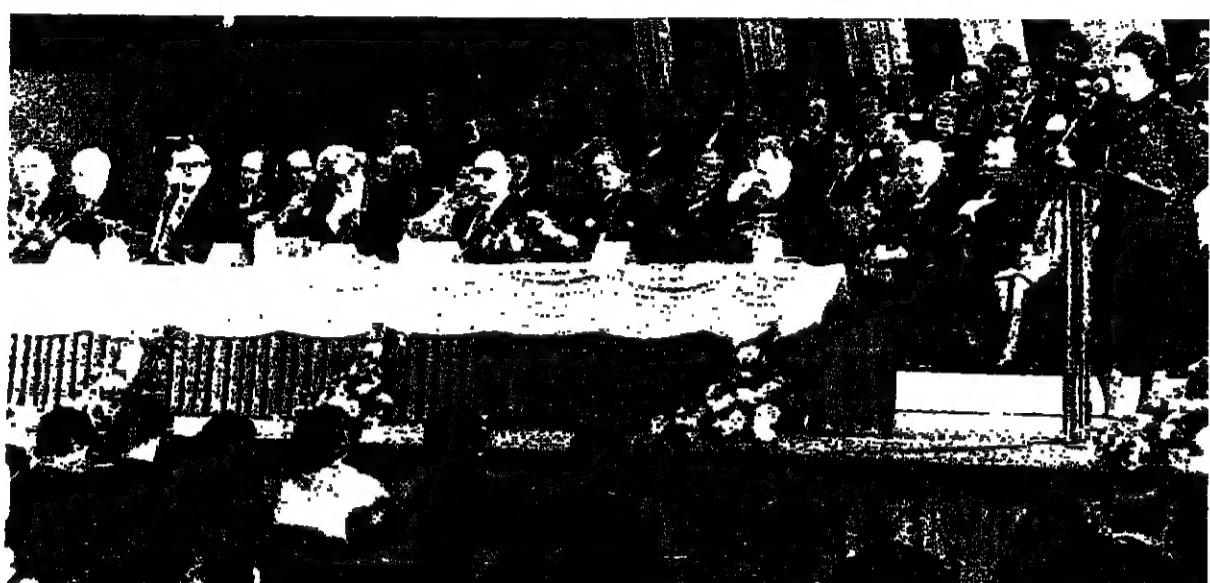
הכזמן האחר

Over 340 branches of the group in Israel



At left, part of the crowd that gathered outside the Rome synagogue last September 9 immediately after terrorists threw a bomb and fired submachineguns into worshippers leaving the synagogue. Centre, Jews from the Warsaw ghetto. The 40th anniversary of the ghetto's uprising was marked this year. At right, Raoul Wallenberg, 70 this year, if he is still alive. (UPI)

GEOFFREY WIGODER looks back on the Jewish scene during 5743 A YEAR OF CONFUSION



At left, the Satmar Rebbe, Moshe Teitelbaum, being greeted in Jerusalem. Centre, Simone Veil, former president of the European Community, addresses the opening session of the International Conference on Soviet Jewry in Jerusalem in March. At right, a Falasha synagogue. (Rehman Israeli, Eliahu Hurvitz)

REPERCUSSIONS of the Arab-Israeli conflict have again dominated developments in the Jewish world over the past year. Rosh Hashana already saw the first shockwaves resulting from the massacres in the Beirut camps.

Apart from their role in the at the turn of the year, Jews in the Diaspora were particularly sensitive to the condemnatory reactions of their non-Jewish neighbours, and during the first days of indecision on the part of the Israeli government, Diaspora voices and pressures were added to those inside Israel demanding a commission of inquiry. The establishment of the Kahan Commission and its measured report were widely welcomed by Jews everywhere as a healthy indication of the maintenance of the Jewish tradition of justice in the Jewish state, even under the most difficult circumstances.

The Lebanon War caused much confusion among Diaspora Jews, although there were indications that it was supported by the "silent majority." Moreover, the massive media onslaught on Israel often caused a defensive reaction that rallied Jews round the Israeli flag.

However, there were those who remained critical, especially among the intellectuals. Although Jewish leaders have constantly sought to discourage any public criticism by Jews in other countries of Israel's policies, the public criticism inside Israel of certain official policies during the Lebanon war was taken as legitimizing the open expression of critical views in the Diaspora. In the course of the year, these critical

voices became less strong, especially following the signing of the Israel-Lebanon agreement, which contradicted some of the worst suspicions.

TERRORIST activity during the year was particularly disturbing, with no distinction was to be drawn between Israelis and Jews in other countries. The trial of the would-be assassins of the Israeli ambassador in London revealed that their hit-list covered Anglo-Jewish personalities and institutions that had no particular Zionist orientation. During Rosh Hashana, the synagogue in Brussels was attacked and machine-gun fire opened during the service, injuring several people.

The major bomb incident during the year occurred three weeks later, when a bomb set off at the entrance to the famous Rome synagogue on the festival of Shmini Atzeret killed a child and wounded many other worshippers. The anger of the community exploded against those political and religious leaders in Rome who, only a few weeks earlier, had given a warm welcome to Yasser Arafat.

The outrage evoked expressions of sympathy and identification with Italian Jewry on the part of Italian parties and movements, some of which had previously been keeping a distance from the community. Among some of the Italian Jews, especially in the younger generation, the Rome bomb led to an intensification of their Jewish identity.

In February and March, there

were one successful and two attempted attacks on Jewish targets in Marseilles, and two of the bombers were killed when a bomb intended for the Marseilles synagogue blew up prematurely.

Overall, however, there has been a marked decline in anti-Jewish terrorist attacks in Europe over the past year. This may be partly due to more effective preventive measures by European governments. Synagogues and Jewish institutions throughout Western Europe are having to maintain tight security, which is often a heavy burden and expense. Towards the end of the year, reports came of synagogue bombings in countries as far apart as South Africa and Colombia.

IN RUSSIA, the emigration of Jews came to a virtual stop. Although many tens of thousands of Russian Jews are waiting to leave, a mere trickle of one or two hundred is permitted to depart each month. World protests are having little effect — especially with U.S. and the USSR remaining in stand-off positions, so that Russia is not susceptible, as previously, to pressures from the West.

Nor has Andropov's taking over from Brezhnev made any discernible difference in policy towards Jews. Anatole Shcharansky and other refuseniks still languish in remote confinement. Those who have declared a desire to emigrate continue to suffer various forms of harassment. Jewish culture is suppressed. The Soviets have launched a new internal anti-Semitic drive, publishing anti-Jewish books and

placing on the school curriculum a work called *The Poison of Zionism*.

A World Solidarity Conference with Soviet Jewry held in Jerusalem in March brought 1,500 delegates from many parts of the world. They heard the U.S. ambassador to the U.N., Jeane Kirkpatrick, deliver a promise from President Reagan that "we will not forget Soviet Jews." They have not been forgotten — but little progress has been achieved in assisting them.

There was more success with Jews wishing to leave Rumania, whose emigration earlier in the year had in effect come to an end owing to the difficult conditions imposed — including the repayment of the entire cost of their higher education. As a result, the U.S. revoked Rumania's most-favoured nation status. Within a few months Rumania relented, and won it back. About 1,000 Rumanian Jews were able to come to Israel this year.

THE SHADOW of the Holocaust fell over the Jewish world in many ways. Grim reminders of the sufferings of French Jewry were revived with the arrest in Bolivia of Klaus Barbie and his extradition to France for trial. The "Butcher of Lyons" earned his sobriquet for his torture, murder and deportation of Jews, resistance fighters and children while he was Gestapo chief of the city during World War II. The evidence is being collected and charges prepared for a trial next year. The U.S. was embarrassed by revelations that it had protected Barbie after the war and helped him to escape in return for his collabora-

tion in certain strategic matters.

Also in France, Maurice Papon, former French budget minister, was charged with "crimes against humanity" in connection with his role in the deportation of Jewish children in 1942. And the death was revealed (it had occurred in Spain in 1980) of the most notorious of France's wartime Jew-baiters, Louis Darquier de Pellepoix, Vichy's general commissioner for Jewish affairs.

The 50th anniversary of Hitler's accession to power was widely marked throughout the world as a warning that such an event must never recur. And in Warsaw, the commemoration of the 40th anniversary of the Warsaw Ghetto uprising, organized by the Polish government, was attended by Jews from many countries, including a large delegation from Israel. Despite a flap over permitting the PLO to lay a wreath at the Ghetto memorial, it was evident that the Polish government had taken steps to organize an appropriate and impressive ceremony.

In Washington, a large gathering of Holocaust survivors heard President Reagan pledge that the Holocaust would not be forgotten — and indeed major projects are going ahead in both Washington and New York to establish Holocaust memorials.

In the arts, Australian author Thomas Keneally won the coveted British Booker Prize for *Schindler's Ark*, an account of how a German saved over a thousand Jewish lives. Hollywood produced one of its few films to treat a Holocaust subject in *Sophie's Choice* (although the Jewish aspect was underplayed, in that the main victim, the heroine, was a non-Jew).

The 70th anniversary of the birth of Raoul Wallenberg was marked by gatherings and TV programmes — and the lingering hope of some that he might somehow still be alive in a Soviet prison.

AMONG the year's other events: Jewish groups were again permitted to visit Falasha villages in Ethiopia. It was revealed that under pressure from the Nicaraguan authorities,

the entire tiny Jewish community had left that country a couple of years ago. Bruno Kreisky ended his long period of office as Austrian chancellor.

The Jewish-born Archbishop Lustiger of Paris was created a cardinal and the Satmar Rabbi had a royal reception in Israel (while his followers were cutting the beard of one of their rivals in New York).

In Britain, three leading ministerial positions were given to Jews for the first time: Nigel Lawson became chancellor of the exchequer; Leon Brittan, home secretary; and Malcolm Rifkind, minister of state at the Foreign Office. The London *Times* won approval from British Jewry for its Easter editorial headed "Jesus was a Jew" and a few weeks later drew their wrath for an editorial which referred to them as "expatriates."

The 30th Zionist Congress was held in Jerusalem; although marred by political infighting, it remained a demonstration of the commitment of the Jewish people to the State of Israel.

Announcement to All Telephone Subscribers

The following 1983 telephone directories have already appeared:

Netanya, Hadera 053, 063
Beersheba, Eilat 057, 059
Jerusalem 02

The following directories will appear in the next few months:

Galilee and the Northern Valleys	065, 067	September
Haifa	04	September
Ashdod, Ashkelon	051, 055	October
The Coastal Plain	054	November
The Sharon	052	November
Greater Tel Aviv	03	December
Ramat Gan, Givatayim, Bnei Brak, Petah Tikva	03	Jan. 1984
Holon, Bat Yam, Rishon LeZion	03	Jan. 1984

How to obtain telephone directories

With your August telephone account, you will receive a circular explaining how the directories are distributed. There will also be an order form for requesting directories that have already appeared and those to be issued shortly. Directories ordered will be sent to you by post upon payment of mailing and handling costs. You can also obtain directories at any of the Golden Pages offices free of charge (addresses below):

Jerusalem, 8 Rehov Beit Hakerem
Sunday - Thursday, 8 a.m. - 1 p.m.
Tel Aviv, 39 Sd. Shaul Hamelech
Sunday - Thursday, 8 a.m. - 5 p.m.
Haifa, 8 Rehov Kiryat Sefer
Sunday - Thursday, 8 a.m. - 1 p.m.



Golden Pages — The Country's Telephone Directory

SHANA TOVA

We wish
all our guests and friends
a Happy New Year

a subsidiary of The Israel Land Development Company Ltd.

THE SHARON HOTEL
Herzliya

THE RIMON INN HOTEL
Safed

THE GALEI KINNERETH
Tiberias

THE NEPTUNE HOTEL
Eilat

THE SINAI HOTEL
Tel Aviv

THE GALEI EILAT HOTEL
Eilat

Daily flights to
Boston • New York • Washington • Los Angeles

Widebody services, departures 06.05 and 07.20, from \$849 to Boston or New York.
TWA also flies to over 50 cities throughout the USA.

You're going to like us



Eitan won't attend: Furniture Week due to start on Sept. 12

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The country's most famous carpenter, Rafael Eitan, the former chief of staff, has declined an invitation to attend the forthcoming Furniture Week, Alex Levinstein, chairman of the Association of Wood & Furniture Manufacturers, stated this week. "He also refused to explain his refusal."

Levinstein noted, however, that some 100 buyers from abroad, mainly from the U.S., Canada, England, West Germany, Belgium, Holland and France, would attend the week, which will take place from September 12-15 at the Tel Aviv Fair Grounds covering some 6,000 square metres of floor space.

About 70 Israeli furniture manufacturers, from all sectors, will exhibit their goods, not only to the foreign buyers, but also to some ten thousand invited Israelis active directly, or indirectly, in the field. From September 14-25 the exhibi-

tion will also be open to the general public. Admission will be IS150 a person.

Other speakers at a press conference publicizing the week, complained that "all too many Israelis buy imported furniture (imports valued at \$15 million a year) for one of three reasons. Firstly, snobbery, to show-off to their guests; secondly, because some imported furniture is very cheap, sold at a price at which we could never compete and which we wouldn't make because it does not meet any quality control and thirdly, when institutions such as hotels are purchasing, they like to buy abroad because the supplier often invites the hotel buyer over for a visit."

The speakers charged that there were other reasons "which we could not clarify," and said local buyers purchasing imports included the Knesset, the Bank of Israel, the Stock Exchange and Kupat Holim. "Although we could not clarify the reasons, we did find that we produce similar type furniture here

in Israel, of the highest quality and at the most competitive prices."

Israel now exports about \$10m. of furniture a year, and of this sum, about \$9m. goes to the U.S.

"We hope to increase our exports to \$50m. a year within three years," Levinstein said, adding that since Israel started to export in 1975, "shipments have increased steadily year by year."

But the target of \$50m. is based not only on the increased purchases expected from the U.S., but also on the fact that many furniture factories have closed down in the Common Market due to the recession, and there "is a gap being created there that we hope to fill."

The organizers of the Furniture Week complained that the Ministry of Industry and Trade, which generally subsidized half the cost of such weeks, is only putting up \$30,000 of the \$300,000 being expended this time. The ministry's refusal to pay \$150,000 is due to the fact that the week is also to be open to the general public.



Former chief of staff Rafael Eitan at work in his carpentry shop at Moshav Tel Adashim. (IPFA)

Hapoalim loses in shekels, but gains in dollar terms

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The consolidated net profits of the Bank Hapoalim Group rose by 140 per cent during the first half of the year, compared to the same period last year, to stand at IS2.85 billion, the bank has announced. In dollar terms, the consolidated net profits rose from \$49.3 million at the end of June in 1982 to \$60m. on June 30, 1983.

However, when adjusted for the annual rate of inflation, in line with Statement 23 of the Chamber of the Certified Public Accountants, the semi-annual statement of profits shows a loss of IS1,195m., the bank has announced.

Banking circles in Tel Aviv yesterday pointed out that the losses, which have already shown up in the recently published financial statements of the Israel Discount Bank, and which will probably be the same for all other banks, were due to several factors.

Firstly, the banks charged low interest rates on the loans they made during the first half of the year, yet had to pay high interest rates on the deposits they mobilized. Secondly, due to liquidity shortages, Hapoalim (and the other banks) had to pay high fines to the Bank of Israel. Thirdly, the fees charged for banking fees were very low, and finally, the failure of the shekel to

be devalued in line with its real value caused all foreign currency assets to be translated at very low rates into shekels.

One banker noted yesterday that there was every reason to believe that the second half of 1983 would show a different picture.

"Not only is the shekel being devalued at a much faster rate, but the gap between the interest rates we charge and those we pay has increased considerably."

The Hapoalim group's semi-annual consolidated balance sheet rose from IS453.9b. on June 30, 1982 to IS1,091.9b. on the same date this year, representing a 140.7 per cent growth. In dollar terms, the balance sheet rose from \$18.8b. at the end of the first six months of 1982 to \$23b. at the end of this period this year.

All areas increased in the bank's activities. Loans grew from IS292.9b. on June 30, last year to IS780.9b. on the same date this year. This represents a growth of 166.6 per cent. Deposits grew from IS292b. during the first half of 1982 to IS711.9b. at the end of the first six months this year, for a growth of 143.8 per cent.

Capital resources grew by 172.5 per cent, from IS6.2b. on June 30, last year to IS16.9b. on June 30 this year.

Hapoalim makes staff appointments

Jerusalem Post Reporter

TEL AVIV. — In a series of appointments at Bank Hapoalim, Uzi Vardi-Zer, deputy managing director of the bank, has been appointed director of international activities. He is replacing Haim Bergstein, joint managing director, who is about to leave the bank.

Yitzhak Adler, deputy managing director, has been appointed to head the organization and methods department.

Asher Blumberg has been appointed managing director of Bank Massad, a member of the Hapoalim group.

Shalom Zohar, who formerly filled the position now occupied by Asher Blumberg, has been appointed regional manager of Massad in Jerusalem.

Zeev Ben-Asher, until now regional manager of Bank Hapoalim, has been appointed manager of the Los Angeles Branch, and director of the bank's activities in California.

Professor Baruch Lev has joined the group and has been appointed head of the Integrated Financial Services Department.

'Fortune' magazine carries big Israel section

Jerusalem Post Correspondent

NEW YORK. — *Fortune's* September 19 issue features the magazine's first special advertising section on Israel. The 23-page section, "Israel's global connection: a new world centre for technology," carries 22 advertisements. It will reach more than two and half million people, mainly senior executives of major corporations and financial institutions.

Israel has transformed itself into a booming, vibrant centre of technological research and manufacturing from a primitive economy based on labour intensive

agriculture and textiles, writes the magazine, and adds: "and because Israel has proved itself to be a haven for research and a profitable and effective manufacturing base, more and more foreign firms, primarily from the U.S. and Europe" are moving in.

Fortune's special section reports on the story of business in Israel — its achievements and potential. It surveys the broad spectrum of Israel's economy with special emphasis put on industrial development, high technology, research and development, export manufacturing, investment opportunities and tourism and banking.

Mutual funds assets slip to Aug. 82 levels

Jerusalem Post Reporter

TEL AVIV. — The total value of all assets of all the country's mutual funds today stands at \$1.6 billion, compared to \$3 billion at the beginning of the current year. Since the assets of these funds stood at \$1.6 billion in August 1982, all gains made by the funds in the past twelve months have been "eroded," according to Melvyn, a financial consultancy firm.

In shekel terms, the funds lost 2.2 per cent of their real value (taking an estimated seven per cent hike in the cost-of-living index for this August as the basis) during August, and 44.6 per cent (in real terms) since the end of 1982.

There has been considerable change also in the composition of these assets. If, at the beginning of 1982, stocks accounted for 29 per cent of the assets, and if stocks grew

to 58 per cent at the end of 1982, they now stand again at 28 per cent, while, if index-linked bonds were 62 per cent of these assets at the beginning of 1982, and fell to 35 per cent at the end of 1982 they have now risen to 54 per cent. Foreign currencies fell during 1982 from nine to seven per cent, but now constitute 18 per cent of the funds' composition.

The percentage of the banks' (and others) holdings in funds has also changed in the past eight months. Bank Leumi's share rose from 32.6 per cent at the end of December 1982 to 40.1 per cent today, while Hapoalim's fell in these eight months from 24 per cent to 22.8 per cent. Discount's share rose from 17 per cent to 19.3 per cent, while First International increased its part from 3.4 per cent to 4.3 per cent, and Mizrahi's share fell in these eight months from 8.5 per cent to 6.3 per cent.

Young Israelis snap up foreign papers

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The younger generation of Israelis, those born and bred here, have a "voracious" appetite for foreign newspapers and magazines. This is stated by Nir Baruch, 60, who was recently appointed managing director of Bronfman's Agency, the country's largest distributor of imported newspapers and magazines.

Yitzhak Bronfman, founder of the company, who recently resigned from his position as managing director, will continue to serve the agency in an advisory capacity. He will also continue to contribute to the company's development and progress.

"Once we thought that as the older generation — those who immigrated here and whose mother tongue was anything but Hebrew — dwindled, so would the amount of foreign newspapers and periodicals imported. But the exact opposite has happened, although there has been a distinct change in the languages read. If some time ago, German was the leading language, English has gradually taken the lead," Baruch says, adding, however, that since Bronfman's handles very little French, he has no figures on the relative positions of English, German and French.

Baruch credits the "ever increasing interest" of the Sabras to several specific factors. "Firstly, many of them are university graduates, and a

goodly percentage of them work in the exact and other sciences. They just have to read what is going on in their chosen fields, or else they find that they are slipping behind their colleagues abroad. Moreover, all Israelis, no matter what fields they work in, like to know what the outside world writes about Israel. Most of these foreign newspapers and magazines have excellent staff here, and sometimes it is easier to get an overall view of what is happening in Israel through the eyes of an impartial outsider," says Baruch.

The leading magazine (in English) read by Israelis is *Time* — some 20,000 copies are sold (including subscriptions) each week. None of the other 600 publications handled by Bronfman comes close. These include *The Wall Street Journal*, *Financial Times*, *The Economist*, *Der Spiegel*, *Die Weltwoche*, *Mad*, *Frankfurter Allgemeine*, *The London Times*, *Burda*, *Neue Mode* and *Vogue*, as well as a variety of Italian and Swiss publications.

Kibbutz Alonim signs aircraft supply deals

Jerusalem Post Reporter

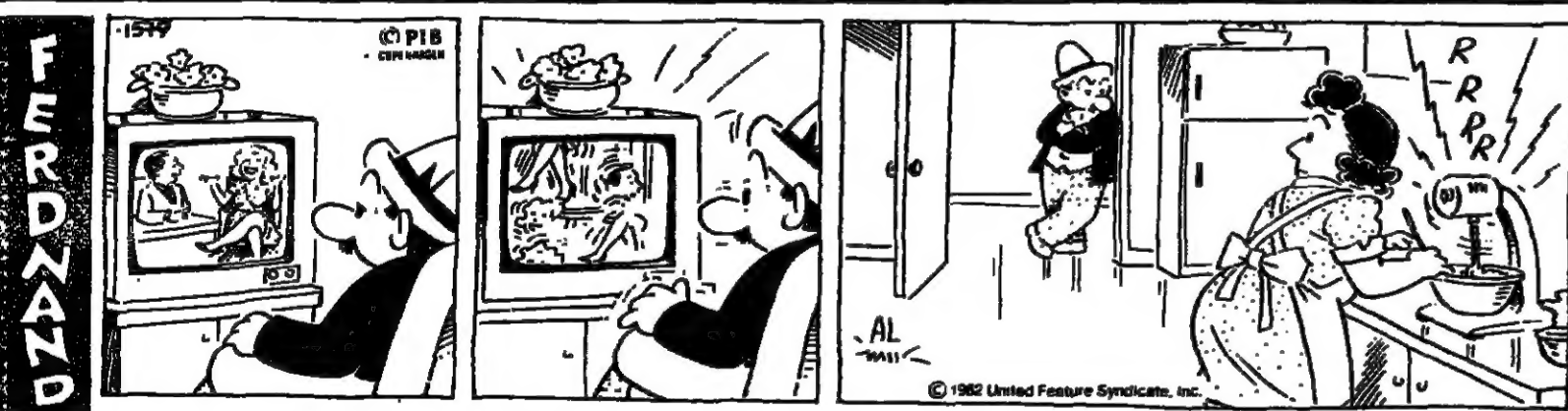
TEL AVIV. — Kibbutz Alonim in the Jezreel Valley, has signed contracts with four American airplane manufacturers — McDonnell Douglas, Boeing, Hughes, and Sikorsky — for the supply of plated aluminum components for aircraft.

IDB International sells capital notes emission

TEL AVIV. — Bank Discount has announced that its subsidiary, IDB International, which is registered in Curacao, Netherlands Antilles, has completed the sale of its fourth emission of capital notes in the sum of \$130 million.

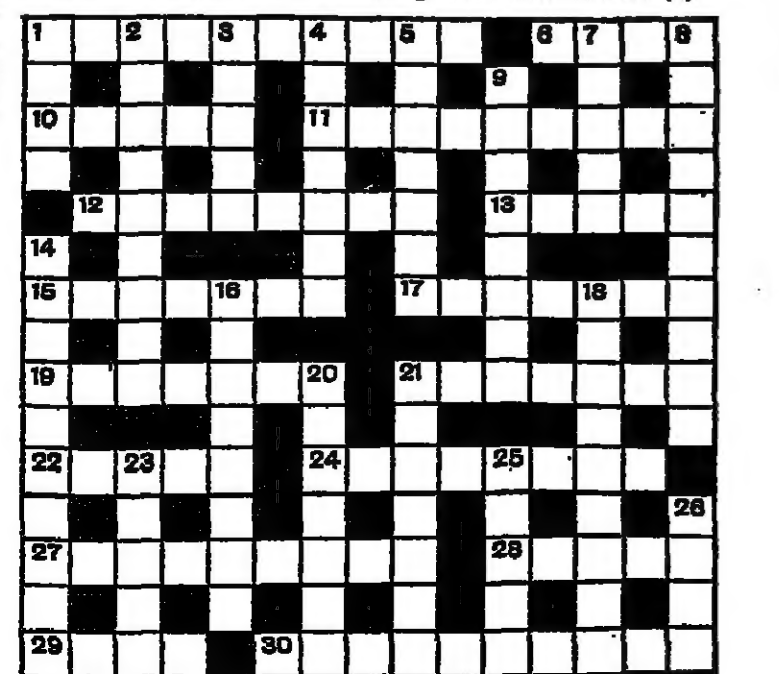
The capital notes pay a varying rate of interest and will be redeemed at the end of seven years. The funds are being used to develop the overseas activities of the Discount group.

VISITORS INSURANCE POLICY
is your health insurance while visiting Israel.
SHILOAH INSURANCE CO. LTD
Please contact one of our branches:
TEL-AVIV-2 Pinsky St. Tel. 03-298165
HAIFA-32 Y.L. Peretz St. Tel. 04-672351
JERUSALEM-43 Ben Yehuda St. Tel. 02-222341



ONE-AND-ONE CROSSWORD

- | | |
|--|--|
| <p>ACROSS</p> <p>1 Mised about employee being badly treated (10)</p> <p>6 Stylish sheik some say (4)</p> <p>10 Primitive weapon for army support (5)</p> <p>11 Go to ground if perjury has been concealed (3, 6)</p> <p>12 A piano tested and given the O.K. (8)</p> <p>13 Died before an Italian poet (5)</p> <p>15 A listener who compiles reports by all accounts (7)</p> <p>17 Hippy doctor needs work away from home (4, 3)</p> <p>19 Upper sixth in which contestants hope to be on the big day (5, 4)</p> <p>21 Watch which stops (7)</p> <p>22 Bird nest I found in Australian lake (5)</p> <p>24 Go bitter and thither (in America) to smuggle ammunition (3, 5)</p> <p>27 Rather poor after levies on (1) property and (2) water? (5, 4)</p> <p>28 Artillery unit to show the colours (5)</p> <p>29 What the underpaid angler waits for (4)</p> <p>30 Decide to pay the bill at a certain date (6, 4)</p> | <p>DOWN</p> <p>1 Pig food served by common gammen (4)</p> <p>2 Briefly visited the bedroom, but made a mistake (7, 2)</p> <p>3 Predict finding ancient city after a month (5)</p> <p>4 What roundmen do—free? (7)</p> <p>5 Defaulted, having finished taking me in (7)</p> <p>7 Tricked, or should we say tricked up in? (3, 2)</p> <p>8 Saving sinners from money changing (10)</p> <p>9 Make space to secure digs (4, 4)</p> <p>14 What regular correspondents often refer to as Z (4, 8)</p> <p>16 Better than one used by a swindling better (3, 5)</p> <p>18 First course the cook might have shed tears over (3, 4)</p> <p>20 March briefly with entrance money to a seaside resort (7)</p> <p>21 Brown followed by man gets the circle line (7)</p> <p>23 Spoils sought by archaeologist (5)</p> <p>25 Unusual route—very unusual (5)</p> <p>26 Short run which distinguishes slow bowlers (4)</p> |
|--|--|



GENERAL ASSISTANCE

<p>EMERGENCY PHARMACIES</p> <p>Jerusalem: Kupat Holim Cholim, Romema, 523191; Balsam, Salah Eddin, 272315; Shufat, Shufat Road, 810108; Dar Eldowa, Herod's Gate, 292058.</p> <p>Tel Aviv: Lev Haim, 69 Ahad Haam, 613862; Kupat Holim Cholim, 7 Amsterdam, 225142; Petah Tikva: Kupat Holim Cholim, Haim Ozer, 905271.</p> <p>Netanya: Neot Shaked, Azurim, 52484.</p> <p>Haifa: Harman, K. Motkin, 713136; Aliya, 44 Aliya, Ben Galim, 523062.</p>	<p>FIRST AID</p> <p>Magen David Adom first aid centres are open from 8 p.m. to 7 a.m. Emergency home calls by doctor at fixed rates. Sick Fund members should enquire about rebates.</p> <p>Phone numbers: Jerusalem, Tel Aviv, Haifa, — 010 Dan Region (Ramat Gan, Be'er Sheva, Givatayim) — 781111.</p> <p>Ashdod 2222 Ashkelon 23331 Bat Yam 585556 Beer Sheva 781333 Eilat 72333 Hadera 22333 Holon 803133-4 Nahariya 923333</p> <p>Nazareth 54333 Netanya 23333 Petah Tikva 913333 Rishon LeZion 942333 Safed 30333 Tiberias 20111</p> <p>Rape Crisis Centre (24 hours), for help call Tel Aviv, 1234819, Jerusalem — 810110, and Haifa 88791.</p> <p>"Ezer" — Mental Health First Aid, Tel.: Jerusalem 669911, Tel Aviv 253311, Haifa 538-888, Beer Sheva 49111, Netanya 35316.</p>
<p>DUTY HOSPITALS</p> <p>Jerusalem: Shaare Zedek (pediatrics, surgery, orthopedics, ophthalmology), Bikur Holim (internal, obstetrics, E.N.T.).</p> <p>Tel Aviv: Roka (pediatrics), Ichilov (internal, surgery).</p> <p>Netanya: Laniado (obstetrics, internal, pediatrics, gynecology, surgery).</p> <p>Migdal LeZvi: Open line 4-6 p.m., every Mon. — answers to obstetrics, gynecological, internal, surgical functioning and family planning. Tel. 02-633356.</p>	<p>FLIGHTS</p> <p>24-HOURS FLIGHT INFORMATION SERVICE Call 03-972484 (multi-line)</p> <p>ARRIVALS ONLY (TAPED MESSAGE) 03-295555 (20 lines)</p>

QUICK CROSSWORD

ACROSS
1 Style
4 Author of "Vile Bodies"

DOWN
11 Puzzle
12 Groove
14 D.J.

15 Stew
16 Year
21 Bunch of flowers
22 Lion-like
23 Non-dreamer
26 Name of book
27 Mountain range
28 Acting sovereign

DOWN
1 Demure
2 Quack remedy
3 Put at risk
4 Unwanted plant
5 Join together
6 Wrangle
7 High temperature
13 Struggle
16 Saliva
17 Ancient city state
19 Eating dish
20 Hate
22 Sedate
24 Touch with lips

THE ISRAEL DEVELOPMENT AND MORTGAGE BANK
A MEMBER OF THE IDB GROUP

WE SPECIALIZE IN LOANS TO NEW IMMIGRANTS AND OTHER HOLDERS OF CERTIFICATES OF ELIGIBILITY.

Substantially increased supplementary loans commensurate with your repayment capacity

SPECIAL GIFT OFFER: Customers realizing their Certificate of Eligibility during September, 1983, will be awarded a useful gift.

For details apply to one of our three main offices or any one of our service counters, opened for the convenience of our customers in 40 branches of Israel Discount Bank throughout the country.

Our branch offices are conveniently located:

Tel Aviv: 16-18 Simat Beit Hashoeva, off 98 Allenby Rd., Tel. 03-811973.
Jerusalem: Discount Bank, Cial Building, 97 Jaffa Rd., Tel. 02-232377.
Haifa: 11 Pal-Yam St. adjoining Zim building, Tel. 04-670725

Prospectuses and application forms are now also available in English, French and Spanish.

The People You Can Talk To

ISRAEL DISCOUNT BANK

THE JERUSALEM POST **הַיּוֹמִית** **MA'ARIV** **HA'ARETZ**
HALLACH HEHADASH — Classified Advertisements in cooperation with MA'ARIV, HA'ARETZ, HA'IR, KOL HA'IR.

Advertisements for "Haluach Hehadash"

Advertisements for eve of Rosh Hashana papers will be received up till 8 p.m., Tuesday, September 6, 1983.

Ads submitted to the main office of the "Luach Hehadash up till 5 p.m. on that date, will also appear in the Jerusalem Post.

הכזאמן השחור

Give Soldiers Lifts

Yesterday's Solutions

ACROSS: 1 Porth, 4 Place, 9 Santa, 10 Lapse, 11 Gue, 12 Scurry, 13 Poe, 14 Will, 15 Guy, 16 Sep, 22 Entrance, 23 Summit, 24 Cable, 25 Helix, 26 Peltus, 27 Hedge, 28 Wren, 1 Fringe, 2 Rifle, 3 Base, 5 Lollipop, 6 Imperial, 7 Exempt, 8 Pause, 12 Flapjack, 14 Inhibit, 15 Red-top, 18 Pearl, 19 Starve, 22 Muted, 23 Limb.

